Project Administration Manual

Project Number: 51035-004
Loan Numbers: 3665-PNG, 3666-PNG
May 2019

Sector Development Program
Papua New Guinea: Health Services Sector Development Program

(including Additional Financing)

Project Administration Manual Purpose and Process

The project administration manual (PAM) describes the essential administrative and management requirements to implement the project on time, within budget, and in accordance with government and Asian Development Bank (ADB) policies and procedures. The PAM should include references to all available templates and instructions either through linkages to relevant URLs or directly incorporated in the PAM.

The Department of Health (DOH) and selected provinces are wholly responsible for the implementation of ADB-financed projects, as agreed upon jointly between the borrower and ADB, and in accordance with government and ADB policies and procedures. ADB staff are responsible to support implementation including compliance by DOH and selected provinces of their obligations and responsibilities for project implementation in accordance with ADB's policies and procedures.

At Loan and Grant Negotiations the borrower and ADB will agree to the PAM and ensure consistency with the Loan Agreement. Such agreement will be reflected in the minutes of the Loan and Grant Negotiations. In the event of any discrepancy or contradiction between the PAM, and the Loan, project, and Grant Agreements, the provisions of the Loan and Grant Agreements, will prevail.

After ADB Board approval of the project's report and recommendation of the President, changes in implementation arrangements are subject to agreement and approval pursuant to relevant government and ADB administrative procedures (including the Project Administration Instructions), and upon such approval they will be subsequently incorporated in the PAM.

CONTENTS

ABBREVIATIONS

ADB	–	Asian Development Bank
CEO	–	chief executive officer
CEPA	–	Conservation and Environment Planning Authority
CRVS	–	civil registration and vital statistics
CSS	–	country safeguards systems
DFAT	–	Australian Department of Foreign Affairs and Trade
DMF	–	design and monitoring framework
DOH	–	Department of Health
DOT	–	Department of Treasury
EARF	–	environmental assessment and review framework
EMP	–	environmental management plan
eNHIS	–	electronic national health information system
FMA	–	financial management assessment
GAP	–	Gender Action Plan
GOPNG	-	Government of Papua New Guinea
HFG	–	health funding grant
HSIP	–	Health Sector Improvement Program
HSSDP	–	Health Services Sector Development Program
IEE	–	initial environmental examination
IFMS	–	integrated financial management information system
ISDP	–	integrated suite of development programs
M&E	–	monitoring and evaluation
MTR	–	mid term review
NGO	–	nongovernment organization
NHP	–	National Health Plan
NHSS	–	National Health Service Standards
PAM	–	project administration manual
PFM	–	public financial management
PHA	–	provincial health authority
PMU	–	Project Management Unit
PNG	–	Papua New Guinea
PPC	–	Provincial Partnership Committee
PPMS	–	project performance management system
PSG	–	Project Steering Group
OCR	–	Ordinary capital resources
RPHSDP	–	Rural Primary Health Services Delivery Project
RRP	–	Report and Recommendations to the President
SDG	–	Sustainable Development Goal
SDP	–	Sector Development Program
SPS	–	ADB Safeguard Policy Statement 2009
TA	–	technical assistance
TOR	–	terms of reference
TWG	–	Technical Working Group
WA	–	withdrawal application

PROJECT OVERVIEW

A. Summary of Project Rationale, Location, and Beneficiaries

1. **Country context.** Papua New Guinea (PNG) has an estimated population of eight million across four regions, Highlands Region, Islands Region, Momase Region and Papua Region. The complexity of the PNG culture is reflected in the more than 800 languages across the country. PNG has the lowest life expectancy in the Pacific region, and did not achieve the maternal and child health Millennium Development Goals in 2015 (Linked Document 4, Sector Assessment [Summary]: Health, in Appendix 2 of the Report and Recommendations to the President [RRP]).[1] Physical access to health services is limited for the nearly 90% of people who live in rural areas because of poor roads, and either non-existent or expensive transport, whether by road or sea. The leading causes of premature death are pneumonia, heart disease, stroke and neonatal conditions, and a leading risk factor is malnutrition.[2] There are significant variations in health indicators among the 24 province-level divisions such as 15% of births supervised in the Southern Highlands Province in 2016 compared to the national statistic of 40%.[3]

2. **Health system context.** During times of promising economic growth and budget expansion, PNG increased the health sector budget, however, weak public financial management (PFM) systems resulted in funds not reaching the service delivery level (Linked Document 5, Sector Assessment [Summary]: Public Sector Management, in Appendix 2 of the RRP). The limited and irregular financing has contributed to a decline in health services and constrained the achievement of health outcomes (Linked Documents 21 and 22, Financing the Front Line and Sector Development Program Impact Assessment, in Appendix 2 of the RRP).[4] Significant gains in PNG health outcomes could be achieved if there was a more effective health care system that delivered quality essential services to the rural majority which is the focus of the PNG National Health Plan 2011-2020 (NHP).[5] Addressing weaknesses in PFM in general, and health PFM, can support effective use of funds in the health sector, even when funds are limited due to general economic conditions.

3. Challenges in strengthening the PNG health system include (i) fiscal constraints, fragmented funding streams, and weak PFM, (ii) frequent medical supplies stock outs compromising clinical and health outcomes, (iii) an ageing workforce, (iv) inconsistent standards of governance, and management including effective use of information, (v) inconsistent health seeking behaviors by community members (e.g., for immunization), (vi) gender inequality contributing to poor health indicators, (vii) health infrastructure decaying due to lack of investments including maintenance, (viii) a misalignment between resources and accountability, and (viii) inconsistency in the equitable distribution of funds.

---

[1] Government of Papua New Guinea, Department of National Planning and Monitoring. 2016. *Medium Term Development Plan 2 2016–2017.* Port Moresby; Government of Papua New Guinea. 2016. *Extrapolation in 2016 of 2011. National Census.* Port Moresby.

[2] Institute for Health Metrics and Evaluation. 2016. *Global Burden of Disease. Country Profile–Papua New Guinea.* University of Washington. Washington.

[3] Government of Papua New Guinea. 2016. *(Health) Sector Performance and Annual Review.* Port Moresby; PNG has 20 provinces, one autonomous region (Bougainville), and the National Capital District.

[4] Howse et al. 2014. *A Lost Decade. Service Delivery and Reforms in Papua New Guinea 2002–2012*. Australian National University Development Policy Centre. Canberra; WHO. 2016. *Universal Health Coverage Fact Sheet*. Geneva; WHO. 2013. *Research for Universal Health Coverage: World Health Report.* Geneva.

[5] Government of Papua New Guinea. 2010. *National Health Plan 2011–2020.* Port Moresby.

4. In response to these challenges, the Government of PNG (GOPNG, the government) is (i) aligning its national development plans to achieve the health Sustainable Development Goals (SDGs), (ii) implementing financial management reforms, (iii) supporting the removal of user fees for primary health care, and (iv) subsidizing selected specialist health services. The government plan is that health system decentralization will be completed by July 2018, locally governed and managed by Provincial Health Authorities (PHAs).[6] A March 2015 independent review found that this PHA-based, decentralized model contributes to improved health outcomes in PNG.[7]

5. **Gender inequality.** Gender inequality, and gender violence contribute to an estimated 62% loss in potential human development in PNG. Gender inequality is exacerbated by the PNG systems of family and community relationships, which often exclude women from leadership roles, and decision-making. In 2011, men were almost twice as likely as women to hold a wage job in the formal sector (40% of men, and 24% of women nationally). In 2011, women in formal sector jobs in PNG reported average net monthly pay that was less than half that reported by men ($213 for women and $438 for men, based on 2,381 respondents nationwide).[8] Family Planning There is a National Policy on Women Equality and Women Empowerment 2011-2015, a National Gender Policy and Plan on HIV and AIDS 2006-2010, a 2014 Health Gender Policy that guides the Department of Health (DOH) on gender integration, equity, and equal access for men and women to health services, and a 2014 National Family Planning Policy.[9] Data on reproductive health is incomplete but estimates are that family planning rates dropped perhaps by 50% in 2013, after concerted efforts increased by 2016, and may be on the decline again. As well, family planning challenges are magnifying as PNG is facing the largest cohort of people in its history who are entering reproductive years.[10]

6. **Health Services Sector Development Program**. The Sector Development Program (SDP) supports the achievement of the health-sector related SDGs towards achieving universal health coverage.[11] The SDP is aligned with key government plans including the 2017 100-Day Economic Stimulus Plan, the Medium Term Development 2 2016-2017, the PNG Vision 2050, the National Strategic Plan 2010-2050, the Development Strategic Plan 2010-2030, the NHP, and other government efforts to strengthen the health sector including through health financing.[12] The SDP design complements the activities of other development partners supporting PNG in the health sector, aiming to do so without overlap or duplication, seeking instead complementarity and synergies (RRP Appendix 2 Linked Document 8, Development Coordination).

7. The SDP (the program) incorporates (i) policy lending with three one-year subprograms (RRP Appendix 4, Policy Matrix), and (ii) project lending through a seven-year investment. The program will support the government to ensure that (i) sufficient resources are safeguarded to the

---

6 Government of Papua New Guinea. 2017. *100 Day Plan.* Port Moresby; Government of Papua New Guinea. 2013. *Free Primary Healthcare and Subsidized Service Policy*. Port Moresby; Government of Papua New Guinea. 2007. *Provincial Health Authorities Act 2007.* Port Moresby.

7 Government of Papua New Guinea. 2015. *Independent Review. Provincial Health Authority Management and Structures*. Port Moresby.

8 ADB. 2011. *Papua New Guinea 2011–2012 Country Gender Assessment.* Manila.

9 Government of Papua New Guinea. 2011. *National Policy on Women Equality and Women Empowerment 2011–2015*. Port Moresby; Government of Papua New Guinea. 2006. *National Gender Policy and Plan on HIV and AIDS 2006–2010*. Port Moresby; Government of Papua New Guinea. 2014. *Health Gender Policy.* Port Moresby; Government of Papua New Guinea. 2014. *iPolicy.* Port Moresby.

10 Government of Papua New Guinea. 2014. *Family Planning Policy.* Port Moresby.

11 http://globalhealth2035.org/our-work/sustainable-development-goal-health-0

12 Government of Papua New Guinea. 2011. *Vision 2050*. Port Moresby; Government of Papua New Guinea. 2010. *National Strategic Plan 2010–2050.* Port Moresby; Government of Papua New Guinea. 2016. *Medium Term Development Plan 2 2016–2017.* Port Moresby; Footnotes 5 and 6.

health sector; (ii) the flow of funds to support sub-national services delivery is timely and complete; and (iii) resources are used efficiently to improve service delivery for essential health care to the mainly rural population.[13] Specifically the policy based loan will support national public finance, and health policy reforms to improve the fiscal space for health and subnational flow of funds; and the project will finance investments that support the delivery of the policy actions, and ensure they are effectively operationalized in PHAs and districts to improve service delivery.

8. The program supports policy actions and investments nationally, and sub-nationally. Nationally the program will support the Department of Health (DOH) in shifting its focus, and functions from direct management of service delivery to policy, regulation, monitoring, and health sector budgeting as the health system fully decentralizes, and support medical supplies strengthening. Sub-nationally, the program will support health system strengthening through development programs in evidence-based planning, corporate and clinical governance, leadership and management including financial management; and through partnerships with district authorities and the private sector, improved information systems and their effective use, community health awareness raising and improved health seeking behaviors, and civil works for new health facilities at district level. The SDP investment builds on the ongoing Rural Primary Health Services Delivery Project (RPHSDP), independently assessed in 2017 as having significant and substantial outputs and outcomes, effective monitoring and evaluation, and good management and ongoing Asian Development Bank (ADB) technical assistance in PFM.[14] Additional financing from the Australian Government approved in Q2 2019 will further expand the SDP investments.

9. The SDP reflects the global shift from vertical disease programs to universal health coverage through health systems strengthening, key goals of the World Health Organization, and SDG3 to ensure to ensure healthy lives and promote well-being for all at all ages.[15] The SDP supports the PNG national public finance management (PFM) reforms, identified priorities in the government's Public Expenditure and Financial Accountability Road Map 2015–2018 that builds on the International Monetary Fund-supported assessment of 2015, and the national planning framework under the PNG Planning and Monitoring Responsibility Act 2016.[16] The entire population of PNG is expected to benefit from the program through improved health system stewardship, better public financial management, and evidence-based planning.

10. Alignments within ADB include with (i) the objective of the ADB Country Partnership Strategy 2016–2020 for PNG where health is one of the priority areas, and (ii) the ADB Operational Plan for Health 2015-2020.[17] The SDP is also aligned with the 2015 PNG Port Moresby Affirmation on Effective Development Cooperation (which is based on the 2008 PNG Commitment to Aid Effectiveness, and the 2008 Paris Declaration on Aid Effectiveness).

---

[13] Government of Papua New Guinea. 2015. *National Health Service Standards*. Port Moresby.

[14] ADB. 2011. *Report and Recommendation of the President: Rural Primary Health Services Delivery Project.* Manila; ADB. 2016. *Technical Assistance for Supporting Public Financial Management (Phase 3*); Footnote 7.

[15] World Health Organization. 2015. *Tracking universal health coverage*. Geneva; Footnote 11.

[16] Government of Papua New Guinea. 2015. *Public Expenditure and Financial Accountability Road Map* 2015–2018. Port Moresby; IMF. 2015. *Papua New Guinea Public Expenditure and Financial Accountability*. Fiscal Affairs Department. Washington, D.C.; Government of Papua New Guinea. 2016. *Planning and Monitoring Responsibility Act 2016.* Port Moresby.

[17] ADB. 2008. *An Operational Plan of Health for Improving Health Access and Outcomes Under Strategy 2020*. Manila; ADB. 2016. *Country Partnership Strategy. Manila;* ADB. 2015. *Operational Plan for Health 2015-2020.* Manila.

B. Impact and Outcome

11. The program impact is affordable, accessible, equitable, and high-quality health services for all citizens, aligned with the vision of the NHP. The outcome is a more sustainable and efficient healthcare system achieved. The program design and monitoring framework (DMF) is in Project Administration Manual (PAM) Appendix 1 . Program outcomes will support the NHP key result areas in maternal and child health, reducing the burden of communicable diseases, improving health promotion, and supporting disease surveillance to prevent outbreaks.

12. Expected benefits include increased productivity from (i) reduced incidence and severity of illnesses resulting in fewer lost days of work; (ii) reduced mortality, particularly among mothers and newborn infants; and (iii) fewer work days lost to caring for sick relatives and attending funerals. Further program benefits are household savings arising from lower travel costs, and shorter waits for health care services.

13. Unquantified benefits include consumption and utility gains derived by individuals from feeling healthier, psychological benefits of not having a sick family member to care for, herd immunity resulting from increased immunization rates among communities, and government resource savings with the more efficient and effective delivery of health care services.

C. Outputs

14. The SDP has three interconnected outputs.

15. **Output 1: National frameworks and public financial management enhanced.** Program Output 1 strengthens overarching national regulatory, policy and planning frameworks, and PFM systems. The aim is to provide the foundation for efficient, effective, and long-term sustainable health service delivery in (i) fiscal and budgetary management (upstream PFM), (ii) budget execution including public procurement (downstream PFM), and (iii) health sector management. The focus of areas (i) and (ii) is adequate domestic health financing within a sustainable overall resource envelope, to improve allocative efficiency within the health sector, and to make better use of public resources through strengthened gender inclusive and responsive PFM systems. These reforms will leverage efficiency improvements beyond the health sector to the wider government resource envelope, multiplying the impact on public expenditure, and service delivery. The focus of areas (iii) is overarching regulatory and planning frameworks for health, aiming to support and embed health system reforms under program Outputs 2 and 3.

16. Upstream PFM policy actions include the approval, publishing, and regular updating of a medium term fiscal strategy for 2018–2022. There will be a realistic deficit reduction plan translated into annual national budgets. Allocations will safeguard essential health service delivery, and other priority services during the current period of fiscal tightening. The interconnected project activities will support strengthened health system and health service delivery through the review of sector funding; resource allocation approaches, currently critical to overall funding; and bottom-up basic service costings for different health facility levels based on the PNG National Health Service Standards.[18] Growing evidence on service delivery costs will inform rolling updates of medium term fiscal strategy, annual budgets, and benchmark monitoring.

17. Downstream PFM policy actions will support (i) amendment of the Public Finance (Management) (Amendment) Act 2015 that extends, and defines, coverage to public and statutory

[18] Footnote 13.

bodies, such as PHAs, and makes PFM regulatory framework changes; (ii) the full implementation of the integrated financial management system (IFMS) as the system for budgeting, accounting and financial reporting of all public funds in national government entities, including the DOH; and (iii) the approval and implementation of a new procurement bill that addresses critical weaknesses, including exploring possibilities such as an independent regulatory function, and complaint redress mechanism. Under the new, proposed public procurement framework, project interventions will support strengthening national medical supplies procurement arrangements that will support government in addressing current shortcomings.

18. Health sector management actions include a unified health services and administration bill that replaces the current fragmented health sector regulatory frameworks. The bill will address overly complex financing and service delivery arrangements through simplification and alignment of functions, resources, and accountability. Project activities will support this by providing technical inputs during the review, consultation, and drafting process of the bill. In close collaboration with development partners and other stakeholders, project activities will support DOH in a stock-take of health sector reform progress against the objectives, and strategies of the NHP. This will inform the development of a successor NHP that will, through a participatory process, clarify priorities and implementation strategies over the next decade. The project will also support the review and updating of the National Health Service Standards. Additional financing will support the development of a costed NHP and support to provinces to better engage with private sector for service delivery.

19. **Output 2: Subnational health system management strengthened.** Program Output 2 supports (i) the full rollout of the decentralized PHA model across PNG, (ii) sustaining and increasing health financing, and its direct transfer to PHAs, and (iii) strengthening processes, systems, and management ability in PHAs. This includes support for the required subordinate legislation including PHA regulations and by-laws, and a PHA operational management manual. It also includes (i) better aligned funding for primary health and hospital services to PHAs including the direct channeling of health function grants to PHAs, instead of through provincial government administrations; and (ii) steps to identify and secure other critical fund flows, to reduce funds fragmentation, and avoid repurposing of funds or delays in transfers to service delivery points and health facilities. Policy actions will support PHA efficiency and effectiveness in service delivery at all levels, and the PFM cycle (from planning to monitoring).

20. Output 2 project activities under additional financing will support all PHAs, and selected project health districts through an integrated suite of development programs (ISDP), based on adult learning, and action-learning principles, all of which will incorporate gender and social inclusion, and gender mainstreaming. The ISDP will be cross cutting through Outputs 1 and 3, and target PHA board members; executive, district, and middle managers; multidisciplinary clinical staff; analysts in corporate services areas; and aim to increase the pool of women ready for governance and senior management roles. It will raise the skills, standards, systems, and processes of (i) corporate and clinical governance; (ii) leadership and management, including PFM, and gender inclusive and responsive budgeting; (iii) the effective use of integrated data for decision making for better service delivery, including financial, workforce, and civil registration and vital statistics; (iv) clinical practice in project civil works facilities; and (iv) community health knowledge, community health seeking behaviors, and community-led health promotion.

21. One or several local providers will be identified in Year 1 to collaborate on the design and delivery of relevant ISDP programs, and to start knowledge, skills, and competencies transfer for sustainability. There are early talks with the PNG Precinct, which is supported by the Australian Government's Department of Foreign Affairs and Trade, represented by the Schools of Business,

the University of Papua New Guinea School of Medicine and Allied Health Sciences, and the Pacific Institute of Leadership and Governance. Sustainable financing options (e.g., shared contributions from DOH and PHAs, development partners, and/or beneficiaries) to ensure post-project continuation of training programs will be developed as part of the training component design and viability, assessed as part of the mid-term review (MTR).

22. Output 2 project activities will also support PHAs develop (i) provincial and district health information profiles; (ii) evidence-based health plans; and (iii) comprehensive, gender inclusive and responsive budgets, financial statements, and annual management and performance reports. This will include an annual PHA chief executive officer meeting for knowledge exchange and collective advocacy, and executive coaching for PHA board chairs. The model PHA manual will be aligned with relevant national frameworks (e.g., the amended PFM Act), promoting good practice in the PNG resource constrained environment. There will be strengthened financial management information systems in PHAs to establish improved financial controls and enable PFM compliance. A PHA monitoring framework will be supported, including supporting DOH staff in its effective use in the decentralized health system. Additional financing will also include the revitalization of the reproductive health care and obstetrics curriculum and training and expand support to PHA management and leadership engagement.

23. **Output 3: Health service delivery components strengthened.** The third program output supports five key components for effective delivery of quality health services, and progress towards universal health coverage: (i) medical supplies strengthening; (ii) health sector partnerships; (iii) health information systems; (iv) health facility infrastructure improvements; and (v) patient referral systems. Support will be given to streamline the current extensive national medical catalogue to facilitate procurement and inventory management, and to institutionalize the mSupply tender management module. Project activities will support provincial distribution solutions for drugs, and other medical supplies as a cost-effective approach under PHAs.

24. Policy reforms to strengthen health sector partnerships require the establishment of a comprehensive database of partnerships, and a reporting system. To support this, the project will support service partnerships with stakeholders including districts, and non-government health sector partners in selected provinces.

25. Output 3 project activities will also support the national rollout of the electronic national health information system (eNHIS), for which implementation started in 18 districts across 5 provinces under the RPHSDP. Activities will include the procurement and installation of the eNHIS software, and training of health sector staff in its effective use, aligning this with the current DOH field epidemiology training where appropriate. The eNHIS complements financial information systems (project Output 2), and mSupply for medical supplies (project Output 3). eNHIS provides essential information on service delivery and health outcomes for planning, budgeting, monitoring, and reporting frameworks, including the provincial and district health profiles supported under project Output 2.

26. Output 3 project activities will also support health facility upgrades in selected provinces. Facility master planning will incorporate interprovincial population catchment, and will inform the location of current, and future health services in each target province. Distribution and levels of health facilities influence patient access and safety, and costs, making master plans a strategic, long-term tool for investments in health infrastructure for HSSDP facility upgrades, and for government-funded service improvement programs. Based on these, and the selection criteria outlined in PAM Appendix 3, Civil Works Selection Criteria, the project will implement facility

upgrades at district levels 3 and 4, a priority of government.[19] Additional financing will expand the number of civil works at levels 3 and 2 (community health posts) using the same criteria.

27. Activities at civil works sites will include (i) engaging with local communities, and provincial and district authorities to support increases in heath awareness, and health seeking behaviors (e.g., immunization), including with women's associations; (ii) training of all maternal health care workers in project facilities on essential obstetric care, integrated management of childhood illness, and safe birthing; and (iii) other clinical upskilling as prioritized. The project will also support training in (i) health facility management and maintenance at civil works sites, periodic assessment of facilities to ensure they meet the National Health Service Standards and provide some support to civil registration and vital statistics; (ii) gender-based violence awareness training including with construction staff, the community, and health workers. This training will include how to (i) identify symptoms of gender-based violence; (ii) provide culturally sensitive care and support; and (iii) apply best practice protocols and guidelines.

28. Output 3 project activities will support the updating of model patient referral guidelines, and the tailoring and implementing of the guidelines to civil works provinces to support patient continuum of care at the appropriate level health facility. Good referral guidelines ease the patient load burden on provincial hospitals, improve patient care and health outcomes, and reduce costs.

29. **Program value addition.** The program will have demonstration value for health system strengthening, and sustainable change in other low resource settings. Innovative features include (i) multisectoral support to health service delivery by implementing national reforms in PFM; (ii) development of an integrated public health model that links community health posts, health centers, and small hospitals along a continuum of care based on referral guidelines; (iii) effective partnerships with churches, not-for-profits, the private sector, and the district development authorities, to ensure minimal risk to government; (iv) an integrated suite of organization and human resource development programs to achieve sustainable health system change which integrate gender and social inclusion, and gender mainstreaming; (v) an approach to health budgeting that promotes visibility and accountability, and emphasizes the importance of monitoring budget execution in addition to budget preparation; (vi) a structured approach to health system monitoring that creates the link between resourcing and service delivery by integrating finance and sex-disaggregated health workforce information, and health status and other health information from real-time information systems to underpin transformational change; and (vii) developing innovative approaches to support government efforts to strengthen medical supplies procurement and distribution. PAM Appendix 2, Program Design Synergies, provides further detail of program value addition.

30. **Project management.** The project activities will be managed through a PMU under the DOH as currently with RPHSDP. The RPHSDP and the SDP project investment will overlap in 2018 for approximately 12 months. The SDP PMU will therefore have dual accountabilities as it closes RPHSDP and starts the SDP. This is a seamless approach to capitalize on RPHSDP experiences, complete activities-in-progress, and maximize office facility efficiencies by using the same office space, and equipment for the SPD project. The PMU will be responsible for (i) implementing project activities; (ii) project planning, reporting, coordination with development partners; (iii) monitoring and evaluation including reporting against the gender action plan; and (iv) ensuring safeguards compliance. It will cluster and coordinate heath system strengthening activities of development partners and government and be used by the DOH as a key support for,

[19] To assist in the preparation of the various due diligence documents Bialla was tentatively agreed as a possible site for a district hospital and was used as a basis to prepare costings in Appendix 8, Procurement Plan.

and driver of, health system strengthening.

31. **Monitoring and evaluation (M&E).** M&E for the project investment will be contracted to a specialist firm which will develop base-line data for all outputs using the district health profiles commenced by government in 2017, and the provincial and district health information generated under Outputs 2 and 3, using eNHIS and other sources.[20] The firm for M&E will be contracted to (i) develop a needs assessment, (ii) assess the program theory of change, and (iii) perform a comprehensive progress, impact evaluation, and cost effectiveness analysis at mid-term (PAM Appendix 4, Monitoring and Evaluation Terms of Reference, which is based on the PAM, Appendix 1). The firm will work with the SDP PMU to determine what will be monitored and evaluated, how data will be collected, who will do the collection and analysis, how frequently this will be done and in what format, how findings will be disseminated among those involved, and gain a clear understanding of limitations and potential on what actions may be taken as a result. The firm will use available government data wherever possible, thereby working within the government systems, actively assisting their strengthening. The firm will build in processes for communication for learning as the basis for subsequent improvements and corrective action and bring people with them for continuous improvement for sustainable change. Additional financing will expand the M&E scope to be aligned with DFAT health program reporting.

32. All reviews, assessments, and evaluations will provide recommendations for future consideration for continuous quality improvement of project activities, their impact, and outcomes including social inclusion and gender mainstreaming effectiveness, and any climate change issues. The MTR and program completion report will assess the overall effectiveness of this approach. Partners such as the Australian Department of Foreign Affairs and Trade, Oil Search Foundation, and the World Health Organization will be invited to provide technical inputs as relevant and appropriate, and the findings will be made available to all stakeholders.

D. Sustainability

33. Health system change and reform will be sustained and supported in the longer-term by strengthened financial sustainability through the SDP national policy reforms, more efficient procurement, and through improved PHA and health district governance and management. Sustainability will also be strongly supported through the innovative ISDP, and further supported by the ISDP being designed and delivered in partnership with a local provider or providers.

34. The financial sustainability of the program has been assessed, and estimated operations and maintenance costs are within the anticipated health resource envelope. Policy reforms to improve public expenditure management, supported by the program component of the SDP, will further ensure that sufficient resources will be available for annual operations and maintenance costs associated with project outputs and activities. The Financial Analysis is in Linked Document 9, in RRP Appendix 2. The agreements with provinces for project activities will clarify expectations of longer-term government funding. Any additional operational costs resulting from new or upgraded facilities will be identified in the Provincial Health Services Plans, and a sustainable stream of funding for the facility identified.

35. Environmental sustainability is addressed in the design of new and upgraded facilities, with an emphasis on renewable energy sources, and energy efficient designs.

[20] The provincial health information will be modeled on those developed by Oil Search Foundation for their project provinces.

36. Health system and management sustainability is addressed by ensuring that all inputs operate within PNG government systems and processes; by the integrated suite of organization and people development strategies in Output 2 that cross-cut through Outputs 1 and 3; by the demonstration value, innovation, and integrated health system change strategies; and by the transfer of technical skills over the life of the program. Sustainability will also be supported by the effective use of information becoming an integral part of how the health sector is governed, managed, planned, funded, and monitored.

II. IMPLEMENTATION PLANS

A. Program Readiness Activities

37. Implementation plans have been prepared and agreed that cover (i) program readiness activities (see Table 1 which summarizes the schedule of main program readiness activities); and (ii) the overall implementation plan, set out below. The plan will be adjusted at the time of loan effectiveness, and then reviewed and updated during the program implementation period and on an annual basis. Key activities are (i) National Executive Council submission, and (ii) the appointment of the local implementation consultants as soon as practical after loan effectiveness.

Table 1: Schedule of Program Readiness Activities 2018 and 2019

	Jan	Feb	Mar	Apr	May	Jun	Jul	Responsible agency
Asian Development Bank (ADB) staff review	x							ADB
Evidence confirmed for sub-program 1 actions		x						ADB
National Executive Council approval			x					GOPNG
Designation of Gov. of PNG (GoPNG) focal points			x					DOH
Establish implementation arrangements			x					DOH
Loan negotiations			x					ADB and GOPNG
ADB Board consideration					x			ADB
Loan signing						x		GOPNG and ADB
Project agreement signing						x		GOPNG and ADB
Transition of Project Management Unit (PMU)						x		DOH
Formation of project steering group							x	GOPNG/ADB /PMU
Formation of program steering committee							x	GOPNG/ADB /PMU
Government legal opinion provided							x	GOPNG
Loan effectiveness							x	ADB
Additional financing effectiveness								June 2019 ADB GOPNG DFAT

B. Overall Program Implementation Plan

38. The overall program duration is seven years with scheduled completion by 30 May 2025 (with the additional financing activities completed by 31 March 2025). The program implementation plan (Figure 1), recording outputs with key implementation activities on a quarterly

basis will be updated annually, and submitted to ADB with contract, and disbursement projections for each following year.

39. Throughout program implementation, the government will ensure that the project investment complies with ADB's guidelines and policies in all areas of project administration, management, reporting, procurement, disbursement, financial management, and social and environmental safeguards.

40. **Project activities sequencing.** The activity sequencing for each Output will be maintained as far as can be foreseen. For example, partnership agreements will be prepared before the civil works activities start. Right-sizing and right skilling of the health workforce will be planned as part of each civil works activity, as will strategies to enhance community health awareness, and community health seeking behaviors. PFM, and effective use of eNHIS, and other information systems such as for health workforce management will be integrated within the ISDP, as well as be stand-alone one and two day courses for those who require greater depth of knowledge e.g., financial managers for PFM, planners for eNHIS. Clinical governance will incorporate a systems approach to patient safety and good patient outcomes, incorporating critical elements such as quality assurance systems, and efficient and effective staff rostering to meet clinical and patient safety needs.

Figure 1: Overall Program Implementation Plan

No.	Indicative activities	2018 Qtr			2019 Qtr				2020 Qtr				2021 Qtr				2022 Qtr				2023 Qtr				2024 Qtr				2025 Qtr	
		2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2
	Loan approval																													
	Loan signing																													
	Loan effectiveness																													
	Grant approval																													
	Grant singing																													
	Grant effectiveness																													
1	**Output 1: National frameworks and PFM enhanced**																													
1.1	Health sector budgeting																													
1.1.1	Standard operating costings for health facility levels 2–4																													
1.1.2	Review subnational health budget allocation model																													
1.2	Health institutional and legislative framework																													
1.2.1	Review, drafting and consultation process support																													
1.3	NHP and National HSS																													
1.3.1	NHP, 2011–2020 progress review																													
1.3.2	Successor NHP development support (including additional financing)																													
1.3.3	NHSS, 2011–2020 review																													
1.3.4	NHSS update support																													
1.3.5	NHP and National HSS dissemination																													
2	**Output 2: Subnational health system management strengthened**																													
2.1	PHA manual and oversight framework																													
2.1.1	Assessment of PHA practices, skills, and systems																													
2.1.2	PHA model manual development																													
2.1.3	PHA oversight framework development for DOH																													
2.2	Training approach and integrated training program suite																													
2.2.1	Training approach development (incl funding arrangement)																													
2.2.2	Training courses development																													
2.2.3	Teaching materials/participant handouts development																													
2.3	Training partner identification and training																													
2.3.1	Assessment of local training institutions																													

No.	Indicative activities	2018 Qtr			2019 Qtr				2020 Qtr				2021 Qtr				2022 Qtr				2023 Qtr				2024 Qtr				2025 Qtr	
		2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2
2.3.2	Partnership formalization with suitable institution(s)																													
2.3.3	Assessment, recruitment and training of trainers (incl through joint training course delivery and backstopping)																													
2.4	ISDP delivery (incl testing of approach and materials, and skills transfer to local institution)																													
2.4.1	Governance development for PHA Boards																													
2.4.2	Governance chair executive development																													
2.4.3	National health executive leadership development program																													
2.4.4	District manager development program																													
2.4.5	Middle manager program																													
2.4.6	Clinical governance program																													
2.4.7	Corporate upskilling programs (incl PFM for PHA analysts)																													
2.4.8	PHA oversight and support training for DOH staff																													
2.5	PHA learning and networking programs and events																													
2.5.1	PHA learning exchange programs																													
2.5.2	National PHA CEO Forum																													
2.5.3	Plan and hold National Health Congress																													
2.6	PHA financial management system																													
2.6.1	Assessment of PHA systems																													
2.6.2	Design of PHA financial management system support																													
2.6.3	Support firm contracting and service provision																													
2.7	Reproductive and obstetrics health care course curriculum update and delivery under additional financing																													
3	**Output 3: Health service delivery components strengthened**																													
3.1	Medical supplies procurement and distribution																													
3.1.1	Medical supplies procurement strengthening																													
3.1.2	Medical supplies provincial distribution arrangement design																													
3.1.3	Implementation support of provincial distribution solution(s)																													
3.2	Health partnerships																													

No.	Indicative activities	2018 Qtr			2019 Qtr				2020 Qtr				2021 Qtr				2022 Qtr				2023 Qtr				2024 Qtr				2025 Qtr	
		2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2
3.2.1	Partnership engagement support between provinces and districts, and with non-government health sector partners																													
3.3	eNHIS rollout																													
3.3.1	Vendor contracting and national eNHIS rollout																													
3.3.2	User training																													
3.4	Health facilities upgrading (including additional financing)																													
3.4.1	Facility master planning for target provinces																													
3.4.2	Awarding contracts for infrastructure upgrades and supervising construction																													
3.4.3	Clinical up skilling in project civil works																													
3.4.4	Health awareness-raising at civil works sites																													
3.5	Health referral system																													
3.5.1	Model referral guideline development support																													
3.5.2	Guideline adoption to project provinces																													
4	**Project Management Activities**																													
4.1	Project Management Unit																													
4.1.1	Establish Project Management Unit																													
4.1.2	Recruit consultants																													
4.1.3	Organize inception, midterm, and final workshops																													
4.1.4	Oversee and manage program implementation																													
4.1.5	Conduct project completion review																													
4.2	Procurement plan key activities to procure contract packages																													
4.3	Environment management plan key activities																													
4.4	Gender action plan key activities																													
4.5	Communication strategy key activities																													
4.6	Annual and midterm review																													
4.7	Project completion report																													

CEO = chief executive officer, DOH = Department of Health, eNHIS = electronic national health information system, incl = including, ISDP = integrated suite of development programs, NHP = National Health Plan, NHSS = National Health Service Standards, PFM = public financial management, PHA = Provincial Health Authority, qtr = quarter.

Source: Asian Development Bank.

III. PROGRAM MANAGEMENT ARRANGEMENTS

A. Program Implementation Organizations: Roles and Responsibilities

41. **Executing and Implementing Agencies.** The Department of Treasury (DOT) will be the executing agency (EA), and the DOH will be the implementing agency (IA).

42. **Program Steering Committee and Project Steering Group.** A Program Steering Committee (PSC) will be established and will meet quarterly to review progress of policy actions during the three-years of the program. The PSC will be chaired by the DOT. Other members will be the departments of Finance, National Planning and Monitoring, and Health, represented by the deputy secretaries of each. A Technical Working Group (TWG) will support the work of the PSC. The ADB will be the secretariat to both. A project steering group (PSG) will be established to monitor project activities and implementation, and be chaired by the Project Director, the Secretary for Health. The PMU will be the secretariat to the PSC and will provide six-monthly reports to the PSG. The HSSDP project manager will be a participating observer at the PSC and TWG to support coordination with project activities. Draft Terms of Reference are in PAM Appendix 6, Governance Terms of Reference. Table 2 outlines SDP implementation arrangements.

Table 2: Program Implementation Agencies and Responsibilities

Program Implementation Organizations	Management Roles and Responsibilities
Program Steering Committee	• oversee program implementation; • provide overall strategic guidance on the program implementation and advise on any needs for adjustment of scope; • review and advise on the implementation progress; • ensure that all policy actions are satisfied in a timely manner; • endorse achievement of policy actions; • provide guidance to the EA and IAs; • meet bi- annually to discuss program implementation; • facilitate central government clearances as required; and • ensure that policy and other significant issues affecting implementation are dealt with promptly.
Department of Treasury	**Borrower** • sign the Loan Agreement; • budget, allocate, and release counterpart funds; • endorse to ADB the authorized staff with approved signatures for withdrawal allocation processing; • ensure timely provision of agreed counterpart funds for project activities. **Program executing agency** • establish and chair the Technical Working Group; • appoint the program director; • monitor program implementation and provide coordination and facilitation; • arrange required cross-department/inter-ministerial policy dialogue; • coordinate with provincial authorities in the preparation and implementation of the project; • supervise project procurement. **Program implementation** • achieve policy actions; • and collate evidence.

Program Implementation Organizations	Management Roles and Responsibilities
Department of Health	**Implementing Agency [through PMU]** • establish and chair the Project Steering Group for monitoring and oversight of the project; • manage the day-to-day implementation of the project at the national, provincial, and district levels; • be responsible for the overall financial management and administration of the project including timely preparation of annual work plans and budgets, submission of quarterly and annual reports, and the preparation of annual audit reports and financial statements; • manage specific program implementation activities including procurement, recruiting of consulting services, report preparation, the program performance monitoring systems, and preparation and submission of withdrawal applications; • be responsible for preparation of supporting documents for replenishment of advance account, financial statements and arrangements of the annual audit report in close consultations with Department of Finance officials; • monitor complications with policy, legal, financial, economic, environmental, social and other covenants contained in the program legal agreements; • monitor and report program progress and performance; provide overall guidance to the implementation of the project at national, provincial, and local levels; • participate in inception mission, project completion mission, and special administration review if necessary; and • Participate in evaluations process and workshops with provincial and national stakeholders. • administration of the advance accounts
Provincial Governments / Provincial Health Authorities and state and nonstate district level health service providers (district authorities, church organizations, private sector, civil society, community participants)	**PHAs, state and nonstate providers** • establish partnership consultation process leading to agreements; • participate in partnership meetings and contract agreements and carry out agreed upon outputs; • provide technical support to the implementation of the project outputs.
ADB	Lead project joint review missions including inception mission, mid-term review, and project completion mission, and special administration review if necessary. Provide support to the technical working group and project implementation supported by the PMU

ADB = Asian Development Bank, EA= Executing agency; IA= implementing agency, PMU = project management unit.
Source: Asian Development Bank.

43. **Project Management Unit.** The PMU will be part of DOH, directly report to the Secretary for Health, and will be closely connected to relevant sections of DOH. The PMU will deploy local and international consultants, and volunteers as negotiated with partners to implement project activities. Skills transfer and other learnings will be coordinated in all activities and reinforced through the cross-cutting ISDP. Social inclusion and gender equity principles will both underpin, and be cross-cutting through, the design and implementation of all project activities, systems and processes, including monitoring and evaluation. All PMU staff will have gender equity, and mainstreaming training during orientation, and thereafter annually. The PMU will help the DOH prepare the project sustainability plan.

44. The PMU will make staff available in adequate numbers with the requisite skills throughout the seven-year program to manage project activities, prepare reports, and coordinate with the EA and IA. The PHAs will have dedicated staff, and a supervising coordinator working on the project as agreed with the PMU. The coordinator will be assisted by the PMU for the technical quality of all activities including for the design and construction of civil works.

45. The PMU will develop operational procedures and guidelines so that transfers of responsibility for specified tasks and functions will be agreed for periodic milestones. The government will maintain availability of named partner staff for each consultant, support regular meetings between consultants and partner staff, and monitor and transfer consultant functions to DOH on an agreed timeline.

46. **Technical Assistance through consultants.** The project will require national and international consultants particularly in the initial phases of the program where the technical, and implementation expertise needed is currently not available in the DOH. Levels of consultant support will be monitored and reported semi-annually to the ADB and the PSG. Assisting transition to inline government positions will be a specific requirement of all consultant contracts. Individual consultant contracts will be long term (3 to 5 years) subject to satisfactory performance except where one-off inputs only are required. The impact of program consultant support on long-term PNG health system strengthening and capability will be part of the TOR for the MTR, and the various analyses and evaluations. Consultant inputs will be adjusted as needed based on the findings of these analyses and evaluations as reflected in the annual business plans, as adjusted.

47. **Gender**. There will be an international gender and social safeguards consultant, supported by a nationally recruited gender and communication officer, and each PMU staff member will be responsible for specific gender integration deliverables in each of their key activities. All evaluation activities, including the MTR and project completion report, will have a clear focus on the effectiveness of this approach. Each PMU staff member will have annual social inclusion and gender integration and mainstreaming training, and this will also be included in the orientation of all consultant, and in their performance assessments.

48. **Sustainability.** To support sustainability, the PMU will provide training for, and skills transfer to, counterpart government staff, and national consultants over the life of the program. National staff and national consultants are 55% of the proposed project PMU staff. For Output 2, sustainability will be supported by the identification of local education and training provider(s) in Year 1, and collaborative design and delivery of selected programs, and knowledge and skills transfer. For Output 3 the PMU will support DOH and PHA to perform routine assessment of health facilities to ensure they meet the National Health Service Standards, and support PHAs allocate and procure services for facility maintenance. Other key PMU activities will be fully integrated into DOH systems by the time the program concludes, with the government providing necessary resources to sustain, manage, and enhance program achievements in line with the DOH strategy. It is the intention of government to build on the experience and expertise of the program for its own ongoing efforts for health system strengthening.

49. DOH will ensure the appointment of a facilities branch officer, a health promotion officer, and other key staff to the relevant project offices no later than 30 days after the effective date. In consultation with ADB the PMU will advise the PSG on possible participating provinces and districts including for civil works sites as assessed against the agreed civil works site selection criteria (PAM Appendix 3, Civil Works Selection Criteria).

50. **Partners.** The program will work closely with partners including the Oil Search Foundation, World Bank, World Health Organization, the Australian Government and the Province Partnership Committees. Co-financiers and key partners, as agreed by ADB and DOH, will participate in the MTR, program completion review, and any special administration review, or other analyses and evaluation processes as appropriate, and relevant.

B. Key Persons Involved in Implementation

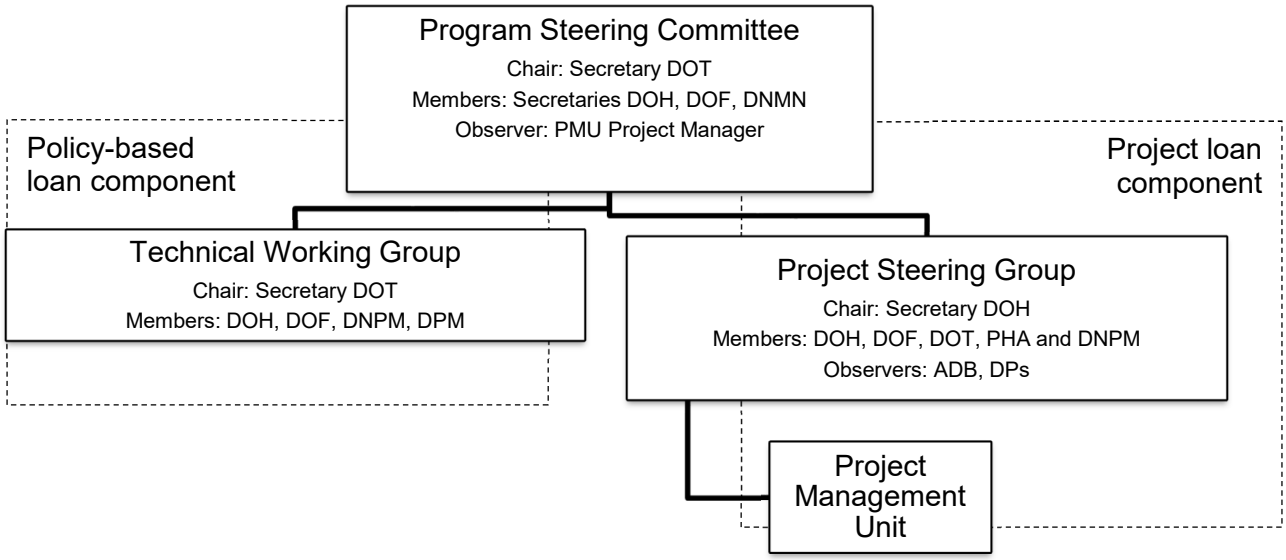
Table 3: Key persons involved

Executing Agency	
Department of Treasury	Officer's Name: Dairi Vele Position: Secretary Telephone: 3138811/8812 Email: Dairi_Vele@treasury.gov.pg
Implementing Agency	
Department of Health and PHAs as selected and agreed	Officer's name: Pascoe Kase Position: Secretary of Health Telephone: 31136021 Email: pascoe_kase@health.gov.pg
	Officer's name: Elva Lionel Position: Deputy Secretary Telephone: 31136021 Email address: elva.lionel@gmail.com
	Officer's name: Paison Dakulala Position: Deputy Secretary Telephone: 31136021 Email: paison_dakulala@health.gov.pg
ADB	
	Staff Name: Emma Veve Position: Director, PASP, PARD Telephone: +632 632 1631 Email: eveve@adb.org
	Staff Name: Inez Mikkelsen Lopez Position: Health Specialist, PASP, PARD Telephone: +632 632 6847 Email: imikkelsenlopez@adb.org

C. Program Organization Functional Structure

51. Figure 2 below outlines the governance structure, and Figure 3 details key program implementation functions, organizations, and reporting lines for program oversight and implementation.

Figure 2: Overall HSSDP Program Governance



DOT= Department of Treasury; DOF = Department of Finance; DP = Development Partners; PHA = provincial health authority, DOH = Department of Health, DNPM= Department of National Planning and Monitoring; DPM = Department of Personnel Management
Source: Asian Development Bank

Figure 3: Governance Functions

Program Steering Committee (PSC)	Technical Working Group (TWG)	Project Steering Group (PSG)
• provide overall strategic guidance • advise on scope • endorse policy actions • provide guidance to the EA and IAs • facilitate government clearances • resolve policy and other significant issues	• propose policy actions for PSC endorsement • endorse policy actions • provide guidance to the EA and IAs • facilitate government clearances • resolve policy and other significant issues	• review project implementation • recommend adjustment to project design and procurement • provide guidance to the IA • ensure alignment with DOH priorities and other development partner investments
The secretariat to the PSC will be the ADB. The PSC will meet at least six-monthly.	The secretariat to the TWG will be the ADB. The PMU project manager will be a participating observer. The TWG will meet at least quarterly during each subprogram.	The secretariat to the PSC will be the PMU. Development partners will be invited as participating observers. The PSG will meet at least six-monthly over the duration of the project.

ADB= Asian Development Bank; EA= executing agency; IA = implementing agency; DOH= department of health; PSC = program steering committee; PSG= project steering group; TWG = technical working group; PMU = project management unit.
Source: Asian Development Bank.

52. Based on ADB experience from the completed project *Grant 0042-PNG:HIV/AIDS Prevention and Control in Rural Development Enclaves,* the current project *Loan 2785/Grant*

0259-PNG:Rural Primary Health Services Delivery Project, and further consultations in the field with non-government organizations, and government and community representatives, the project will, in the first stage, bring together agreed partners, health service providers, and community representatives at the provincial and district levels through one Provincial Partnership Committee (PPC) in each project province, building on those used for RPHSDP.

53. Each PPC will be a consultative and planning body made up of agreed partners, health service providers, community representatives, and members of the local governments. The project target is that the partnership committees will be operational within 6 months after the effective date of the loan.

54. Each PPC will be fully functional after it has been fully constituted with all members, has adopted rules of operation and procedure including periodic meetings, has conducted two full meetings with substantive agendas, and has tabled and commenced consideration of the concept and subject matter of cooperation under the proposed partnership agreements.

55. At a subsequent stage of the project, the PPCs will develop partnership agreements using DOH partnership templates for consideration by the PHA Board with the aim of improving service delivery. The agreements will cover project activities including ISDP, right-sizing and right-skilling health personnel in health facilities, and the construction and rehabilitation of agreed health facilities. The PPC agreements will cover (i) contributions to refurbishment and construction of, and operation and maintenance of, facilities under project Output 3, and access roads; (ii) clinical supervision of the health workforce at refurbished or newly constructed facilities including doctors, nursing officers, and community health workers; (iii) guidelines for selection of heath workforce cadres to staff the new facilities, and to receive training under project Output 3; (iv) the resolution of issues relating to the right to use the land for the health facilities; (v) regular and periodic sharing of relevant health indicators and information on services and activities within the relevant province for consolidation by the provincial government; and (vi) participation in ISDP, and other project activities.

IV. COSTS AND FINANCING

56. The overall program loan is $395 million in ADB financing, comprising (i) a policy based loan of $300 million (divided into three $100 million annual subprograms), and (ii) a $95 million project investment component (a $45.1 million regular ordinary capital resources loan, and a $49.9 million concessional ordinary capital resources loan). Government counterpart financing will be $9.5 million (see Table 4 below) and additional financing through a grant by the Government of Australia of $38 million.

57. The program will include five loans, (i) three policy based loans of $100 million each in 2018, 2019 and 2020 which will each have a 15 year term including a grace period of 3 years at LIBOR plus 0.5% interest and (ii) two project loans one of $45.1 million regular loan with 25 years term and 5 years grace period at London Interbank Offered Rate plus 0.5% interest, and a $49.9 million concessional loan with a 25 year term, and 5 year grace period at a fixed 2% interest.

58. The original cost of the project is $104.5 million including taxes and duties, physical and price contingencies, and interest charges during implementation (see Table 5 below). The project cost includes interest charged on the loan of $6.9 million.[21]

[21] Economic Analysis and Country Economic Indicators are presented in the RRP Linked Documents 10 and 11.

59. Additional financing of $38.0 million which equates to (36.4%) of the total revised project investment, provided by the Australian Department of Foreign Affairs and Trade, to be administered by ADB and effective in Q3 2019. It will finance (i) consultancy services; (ii) medical equipment; (iii) capacity development of health service staff; (iv) construction and refurbishment of health facilities; and (vi) monitoring and evaluation; and finance taxes. It also includes ADB's administration fee, audit cost, provision for foreign exchange fluctuations, provided that these items are not covered by the interest and investment income earned on this grant.[22]

60. The proceeds of the loans and grant will be used to finance eligible project expenditures. All goods, works, and services to be financed out of the loans and grant proceeds will be procured in accordance with the Loans and Grant Agreements and will be used exclusively in carrying out the project. ADB may refuse to finance a contract where goods or services have not been procured under procedures in accordance with those agreed upon between the government and ADB, or where the terms and conditions of the contract are not satisfactory to ADB.

Table 4: Revised Financing Plan ($ million)

Source	Current		Additional Financing		Total [c]	
	Amount (USD)	Share of (%)	Amount (USD)	Share of (%)	Amount (USD)	Share of (%)
Investment program						
Asian Development Bank	395	97.7	-	-	395	89.3
Ordinary capital resources (program) (regular loan) [a]	300	74.2	-	-	300	67.8
Ordinary capital resources (project) (regular loan)	45.1	11.1	-	-	45.1	10.2
Ordinary capital resources (project) (concessional loan)	49.9	12.3	-	-	49.9	11.3
Government	9.5	2.3	-	-	9.5	2.1
Government of Australia - (Grant)[b]	-	-	38.0	100.0	38	8.6
Total	**404.5**	**100.0**	**38.0**	**100.0**	**442.5**	**100**
Subprogram 1						
Asian Development Bank	195	95.4	-	-	195	80.4
Ordinary capital resources (program) (regular loan)	100	48.9	-	-	100	41.2
Ordinary capital resources (project) (regular loan)	45.1	22.1	-	-	45.1	18.6
Ordinary capital resources (project) (concessional loan)	49.9	24.4	-	-	49.9	20.6
Government	9.5	4.6	-	-	9.5	3.9
Government of Australia - (Grant)	-	-	38.0	100.0	38.0	15.7
Total	**204.5**	**100.0**	**38.0**	**100.0**	**242.5**	**100**

[a] Of the $300 million, $100 million was disbursed in 2018 under subprogram 1.
[b] The grant is administered by ADB. This amount also includes ADB's administration fee of 2%, audit costs, bank charges, and a provision for foreign exchange fluctuations (if any), to the extent that these items are not covered by the interest and investment income earned on this grant.
[c] Refers to the original amount and additional financing.
Source: Asian Development Bank Estimates

[22] All project disbursements will be made in accordance with applicable percentage of cost allocation tables.

Table 5: Revised Investment Plan

Item	Current[a]	Additional[e]	Total
A. Base Cost[b]			
1. Output 1 National frameworks and public financial management enhanced	0.5	1.5	2.0
2. Output 2 Subnational health system management strengthened	4.2	7.6	11.8
3. Output 3 Health service delivery components strengthened	70.2	24.7	94.9
4. Project monitoring and management	13.1	0.4	13.5
Subtotal (A)	**88.0**	**34.2**	**122.2**
B. Contingencies[c]	**8.2**	**3.0**	**11.2**
C. Financing Charges During Implementation [d]	**8.3**	**0.0**	**8.3**
D. Miscellaneous Administration Costs	**0.0**	**0.8**	**0.8**
Total (A+B+C+D)	**104.5**	**38.0**	**142.5**

[a] Includes taxes and duties of $6.42 million to be financed from ADB loan resources. Such amount does not represent an excessive share of the project cost.
[b] In mid-2017 prices.
[c] Physical contingencies computed at 10.0% for civil works. Price contingencies computed at 6.5% and includes provision for potential exchange rate fluctuation under the assumption of a purchasing power parity exchange rate.
[d] Includes interest and commitment charges. Interest during construction for the regular OCR loan has been computed at the 5-year forward London interbank offered rate plus a spread of 0.5% and maturity premium of 0.1%. Commitment charges for the regular OCR loan are 0.15% per year to be charged on the undisbursed loan amount. Interest rate for the concessional OCR loan has been computed at 2.0% per year.
[e] Reflects total additional grant financing from the Government of Australia. Includes taxes and duties of $2.70 million. This amount does not represent and excessive share of the project cost. The financing also includes $0.76 million for ADB's administration fee, and other charges pursuant to the cofinancing agreement (under Miscellaneous Administration Costs).
Source: ADB estimates.

61. The various project cost tables are below in Tables 6 – 10.

Table 6: Detailed Cost Estimates by Expenditure Category including additional financing

	Amount ($000's)	% of Total Base Cost
A. Base Cost		
1. Civil works	66,149	54.1
2. Equipment	14,915	12.2
a. Medical equipment	10,340	8.5
b. Information Communication and Technology	2,807	2.3
c. Other equipment	1,769	1.4
3. Consultants[a]	26,724	21.9
a. Project management	8,204	6.7
b. Capacity building / Technical assistance (Int-nat)	13,250	10.8
c. Capacity building/ Technical assistance (Nat)	5,269	4.3
4. Trainings	8,808	7.2
5. Administration and Operation	3,799	3.1
6. Security services	200	0.2
7. Monitoring and Evaluation[b]	1,600	1.3
Subtotal (A)	**122,196**	**100.0**
B. Contingencies		
1. Physical	7,166	5.9
2. Price	4,048	3.3
Subtotal (B)	**11,215**	**9.2**
C. Financial charges during implementation	**8,329**	**6.8**
D. Miscellaneous administration costs[c]	**760**	**0.4**
Total Project Cost (A+B+C+D)	**142,500**	**116.6**

[a] As a result of the limited availability of government counterpart financing at the start of the project approximately $4.2 million of the original project financing under Government PNG counterpart has been transferred under grant financing. The government counterpart financing is now being used to cover additional civil works, equipment and project management/operations costs.
[b] Monitoring and Evaluation costs include $155,000 for audits over the life of the project.
[c] Represents ADB's administration fee, and other charges pursuant to the cofinancing agreement.
Notes: Numbers may not sum precisely because of rounding.
Source: ADB estimates

A. Allocation and Withdrawal of Loan and Grant Proceeds

62. Except as ADB may otherwise agree, each item of expenditure will be financed from the proceeds of the loan on the basis of the percentages set forth in Table 7.

Table 7a: Allocation and Withdrawal of ADB Financing Loan No. 3665- (OCR)

Number	Category Item	OCR (000's)	ADB financing from loan
1	Civil works	5,349	12 percent of total expenditures claimed
2	Medical equipment and information, communication and technology, Consulting services, Trainings, Administration and Operation, Monitoring and evaluation	33,243	100 percent of total expenditures claimed
3	Financing charges	5,153	100 percent of amounts due
4	Unallocated	1,355	
	Total	**45,100**	

ADB= Asian Development Bank, OCR= ordinary capital resources.

Table 7b: Allocation and Withdrawal of ADB Financing Loan No. 3666(COL)

Number	Category Item	COL (000's)	ADB financing from loan
1	Civil works	40,290	88 percent of total expenditures claimed
2	Interest charges	3,176	100 percent of amounts due
3	Unallocated	6,434	
	Total	**49,900**	

ADB= Asian Development Bank, COL= concessional ordinary capital resources.

Table 7c: Allocation and Withdrawal of Australian Government Grant Proceeds

Number	Category Item	Amount (000's)	Grant Proceeds
1	Civil works, medical equipment and information, communication and technology, Consulting services, Trainings, Administration and Operation, Monitoring and evaluation	34,200	100 percent of total expenditures claimed
2	Miscellaneous admin costs [a]	760	100 percent of amounts due
3	Unallocated [b]	3,040	
	Total	**38,000**	

[a] Represents ADB fees for administering the grant proceeds and may be used for audit costs, bank charges, a provision for foreign exchange fluctuations, etc.

[b] Reflects the contingency costs and may be used for price and physical contingencies.

Table 8: Revised Detailed Cost Estimates by Financier

	OCR (000's)	% of Cost Cat.	COL (000's)	% of Cost Cat.	Government of PNG[a] Amount ($000's)	% of Cost Cat.	Government of Australia[b] Amount ($000's)	% of Cost Cat.	Total Amount (000's)
A. Base Cost									
1. Civil works - Total	5,349	8%	40,290	61%	2,112	3%	18,398	28%	66,149
1a. Civil Works OF	5,349	11%	40,290	84%	2,112	4%	0	0%	47,751
1b. Civil Works AF	0	0%	0	0%	0	0%	18,398	100%	18,398
2. Equipment - Total	10,219	69%	0	0%	317	2%	4,380	29%	14,915
a. Medical equipment OF	6,543	95%	0	0%	317	5%	0	0%	6,860
b. Medical equipment AF	0	0%	0	0%	0	0%	3,480	100%	3,480
c. Information and Communication Technology OF	2,807	100%	0	0%	0	0%	0	0%	2,807
d. Information and Communication Technology AF	0	0%	0	0%	0	0%	0	0%	0
e. Other equipment OF	869	100%	0	0%	0	0%	0	0%	869
f. Other equipment AF	0	0%	0	0%	0	0%	900	100%	900
3. Consultants - Total	14,991	56%	0	0%	3,815	14%	7,918	30%	26,724
a. Project management OF	6,858	84%	0	0%	1,346	16%	0	100%	8,204
b. Project management AF	0	0%	0	0%	0	0%	0	0%	0
c. Capacity building / Technical assistance Int'l OF	6,507	100%	0	0%	0	0%	0	0%	6,507
d. Capacity building / Technical assistance Int'l AF	0	0%	0	0%	0	0%	6,743	100%	6,743
e. Capacity building / Technical assistance Nat. OF	1,626	40%	0	0%	2,469	60%	0	0%	4,094
f. Capacity building / Technical assistance Nat. AF	0	0%	0	0%	0	0%	1,175	100%	1,175
4. Trainings - Total	4,772	54%	0	0%	1,051	12%	2,986	34%	8,808
a. Trainings OF	4,772	82%	0	0%	1,051	18%	0	0%	5,823
b. Trainings AF	0	0%	0	0%	0	0%	2,986	100%	2,986
5. Administration and Operation - Total	2,062	54%	0	0%	1,619	43%	119	100%	3,799
a. Administration and Operation OF	2,062	56%	0	0%	1,619	44%	0	0%	3,681
b. Administration and Operation AF	0	0%	0	0%	0	0%	119	100%	119
6. Security services	0	0%	0	0%	200	100%	0	100%	200
7. Monitoring and Evaluation - Total	1,200	75%	0	0%	0	0%	400	100%	1,600
a. Monitoring and Evaluation OF	1,200	100%	0	0%	0	0%	0	0%	1,200
b. Monitoring and Evaluation AF	0	0%	0	0%	0	0%	400	100%	400

Total Base Cost	**38,592**	**32%**	**40,290**	**33%**	**9,114**	**7%**	**34,200**	**28%**	**122,196**
B. Contingencies - Total	1,355	12%	6,434	57%	386	3%	3,040	27%	11,215
C. Financial charges during implementation - Total	5,153	62%	3,176	38%	0	0%	0	8%	8,329
D. Miscellaneous administration costs - Total[c]	0	0%	0	0%	0	0%	760	100%	760
Total Project Cost (A+B+C+D)	**45,100**	**32%**	**49,900**	**35%**	**9,500**	**7%**	**38,000**	**27%**	**142,500**

ADB= Asian Development Bank; COL = concessional ordinary capital resources; OCR = ordinary capital resources; PNG = Papua New Guinea, OF = Original Financing; AF = Additional Financing; MA = Miscellaneous Administration

Note: Numbers may not sum precisely because of rounding.

[a] In addition to the USD9.5m provided by the Government of PNG there will also be in-kind contributions from the government including serviced office space for the Project Management Unit, which includes all utilities, rates, security and associated maintenance costs.

[b] Represents the sum of additional grant financing provided by the Government of Australia.

[c] Represents ADB's administration fee, and other charges pursuant to the cofinancing agreement

Table 9: Detailed Cost Estimates by Outputs including additional financing

	Total	Output 1		Output 2		Output 3		PMU	
		Amount (000's)	% of Cost Category	Amount (000's)	% of Cost Category	Amount (000's)	% of Cost Category	Amount (000's)	% of Cost Category
A. Base Cost									
1. Civil works	66,149	0	-	0	-	66,149	100.0	0	-
2. Equipment	14,915	0	-	450	3.0	13,804	92.6	661	4.4
a. Medical equipment	10,340	0	-	315	3.0	10,025	97.0	0	-
b. Information and Communication Technology	2,807	0	-	0	-	2,807	100.0	0	-
c. Other equipment	1,769	0	-	135	7.6	972	55.0	661	37.4
3. Consultants	26,724	2,022	7.6	4,329	16.2	12,555	47.0	7,819	29.3
a. Project management	8,204	0	-	0	-	386	4.7	7,819	95.3
b. Capacity building / Technical assistance Int'l	13,250	2,022	15.3	3,998	30.2	7,231	54.6	0	-
c. Capacity building / Technical assistance Nat	5,269	0	-	332	6.3	4,938	93.7	0	-
4. Trainings	8,808		-	7,029	79.8	1,780	20.2	0	-
5. Administration and Operation	3,799	0	-	0	-	561	14.8	3,238	85.2
6. Security services	200	0	-	0	-	0	-	200	100.0
7. Monitoring and Evaluation	1,600	0	-	0	-	0	-	1,600	100.0
Subtotal (A)	**122,196**	**2,022**	1.7	**11,808**	9.7	**94,849**	77.6	**13,518**	11.1
B. Contingencies									
1. Physical	7,166	0	-	45	0.6	7,055	98.4	66	0.9
2. Price	4,048	140	3.4	1,052	26.0	1,978	48.9	879	21.7
Subtotal (B)	**11,215**	**140**	1.2	**1,097**	9.8	**9,034**	80.5	**945**	8.4
C. Financial charges during implementation	**8,329**	**49**	**0.6**	**856**	**10.3**	**6,355**	**76.3**	**1,070**	**12.8**
D. Miscellaneous administration costs	**760**	**33**	**4.4**	**169**	**22.2**	**549**	**72.2**	**9**	**1.2**
Total Project Cost (A+B+C+D)	**142,500**	**2,244**	**1.6**	**13,929**	**9.8**	**110,786**	**77.7**	**15,542**	**10.9**

Note: Numbers may not sum precisely because of rounding.
Source: Asian Development Bank estimates

Table 10: Detailed Cost Estimates by Year

	Total Cost in ($000's)	2018	2019	2020	2021	2022	2023	2024	2025
A. Base Cost									
1. Civil works	66,149	0	6,615	8,269	8,269	9,922	13,230	13,230	6,615
2. Equipment	14,915	0	1,492	1,864	1,864	2,237	2,983	2,983	1,492
a. Medical equipment	10,340	0	1,034	1,293	1,293	1,551	2,068	2,068	1,034
b. Information and Communication Technology	2,807	0	281	351	351	421	561	561	281
c. Other equipment	1,769	0	177	221	221	265	354	354	177
3. Consultants	26,724	0	2,672	3,340	3,340	4,009	5,345	5,345	2,672
a. Project management	8,204	0	820	1,026	1,026	1,231	1,641	1,641	820
b. Capacity building / Technical assistance Intl.	13,250	0	1,325	1,656	1,656	1,988	2,650	2,650	1,325
c. Capacity building / Technical assistance Nat.	5,269	0	527	659	659	790	1,054	1,054	527
d. Engagement with Government	0	0	0	0	0	0	0	0	0
4. Trainings	8,808	0	881	1,101	1,101	1,321	1,762	1,762	881
5. Administration and Operation	3,799	0	380	475	475	570	760	760	380
6. Security services	200	0	20	25	25	30	40	40	20
7. Monitoring and Evaluation	1,600	0	160	200	200	240	320	320	160
Total Base Cost	122,196	**0**	**12,220**	**15,274**	**15,274**	**18,329**	**24,439**	**24,439**	**12,220**
	0								
B. Contingencies	11,215	**0**	**1,121**	**1,402**	**1,402**	**1,682**	**2,243**	**2,243**	**1,121**
C. Financial charges during implementation	8,329	**0**	**833**	**1,041**	**1,041**	**1,249**	**1,666**	**1,666**	**833**
D. Miscellaneous admin costs	760	**0**	**76**	**95**	**95**	**114**	**152**	**152**	**76**
Total Project Cost (A+B+C+D)	142,500	**0**	**14,250**	**17,812**	**17,812**	**21,375**	**28,500**	**28,500**	**14,250**

Source: Asian Development Bank estimates.

Figure 4a: Original Contract and Disbursement S-Curve

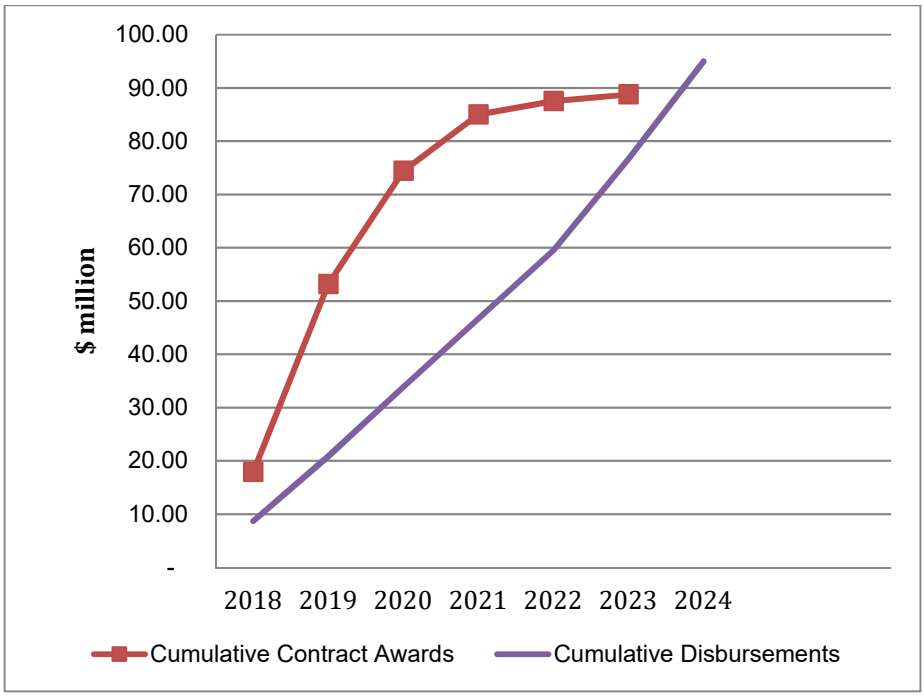
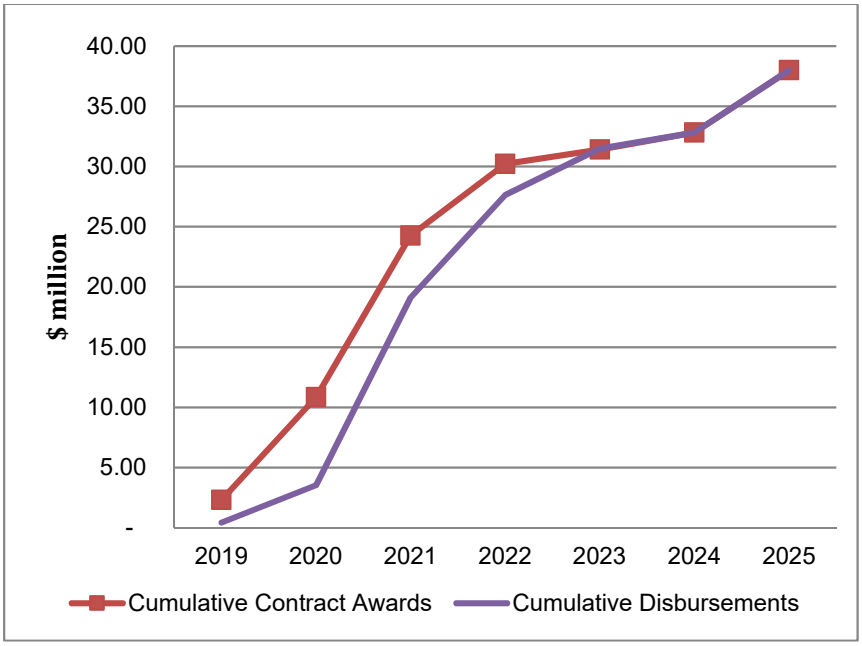


Figure 4b: Additional Financing Contract and Disbursement S-Curve



V. FINANCIAL MANAGEMENT

63. The financial management assessment (FMA) was prepared in November 2017 and is in accordance with ADB's Guidelines for the *Financial Management and Analysis of Projects* (the Guidelines), and the ADB *Financial Due Diligence. A Methodology Note*.[23] The assessment was informed by ADB experience in implementation of Project 41509, the *Rural Primary Health Service Delivery Program* and Grant 0042-PNG, and the *Prevention and Control of HIV/AIDS Rural Development Enclaves Project* in DOH, document review, and local consultations.[24]

64. The DOH has been building its credibility as an executing and implementing agency in financial management under the previous ADB enclaves project, and currently in RPHSDP. The program will build on the financing modality experience implemented under RPHSDP to mitigate the risks of current overall government PFM challenges (Linked Document 19, Risk Assessment and Management Plan, in RRP Appendix 2). This could be reviewed if PFM risks diminish during the project.

A. Financial Management Assessment

65. The FMA was completed for DOH as the implementing agency. The FMA considered health sector financing currently through the Health Sector Improvement Program (HSIP) and RPHSDP trust accounts, and implications if changes were made to the current funding modalities.[25]

66. A trust fund account was established under the HSIP to aggregate direct funding allocated by the development partners to support implementation of the NHP. There have been issues with release of funds to the district level from this trust fund account that resulted in periods when the trust account was frozen. The most recent HSIP audit report for the year ending 31 December 2016 is qualified and highlighted several HSIP financial management deficiencies. This reflects the concerns that led to establishing the RPHSDP trust account. Since inception all RPHSDP audit reports have been unqualified, and there has been strong financial accountability.

67. **Project Financial Management.** The PMU will be responsible for ensuring compliance with all ADB financial management requirements. Given the overlapping timing of the completion and commencement of RPHSDP and SDP respectively, the RPHSDP core team will contiguously close down RPHSDP, and commence the project over the first 12-18 months of the project (PAM Appendix 5, PMU Terms of Reference). All PMU positions will be recruited competitively upon effectiveness of SDP apart from the existing RPHSDP PMU project manager, and the finance and procurement specialist, who will continue through contract variation and extension under RPHSDP. This will be essential to minimize risk and maintain continuity while simultaneously closing down RPHSDP and seamlessly phasing to HSSDP. Each of the incumbents in these roles has broad and deep management, health, and other technical experience through RPHSDP and previously in PNG, are thoroughly competent in ADB requirements, have exemplar relationships across PNG from the most senior levels to community leaders and are strongly trusted and respected. Retaining

---

[23] ADB. 2005 *Financial Management and Analysis of Projects*. Manila; ADB. 2009. *Financial Due Diligence. A Methodology Note*. Manila.

[24] ADB. 2006. *Grant Assistance to Papua New Guinea for HIV/AIDS Prevention and Control in Rural Development Enclaves*. Manila

[25] The HSIP is the Government of Papua New Guinea 's Sector Wide Approach; ADB. 2011. *Country Partnership Strategy:*
Papua New Guinea 2011–2015. Health Sector Assessment Summary. Manila.

these two experts through contract variation and extension will not only enable seamless administrative transition of RDHSP to HSSDP, but also cost efficiencies through retaining the same office and equipment including cars, and, critically, enable immediate impact and effectiveness of HSSDP as it contiguously transitions from RPHSDP, an important factor in retaining government trust and goodwill.

68. The competitive recruitments of all other PMU positions will be in accordance with ADB rules and regulations, with the selection agreed by ADB and the government. A senior accountant and accounting assistants will be engaged and will support the selected provincial governments with project financial management and disbursement requirements. All PMU staff will receive training in ADB policies and procedures to ensure compliance with ADB financial management, and disbursement requirements. There will be appropriate administration support.

69. There will be regular, outsourced audits of the project receipts, expenditures, and procurement practices in all program locations, given limited DOH systems and skills.

70. The Financial Management and Internal Control Risk Assessment for the proposed Investment Program identified several financial management risks in staffing, information systems and funds flow. The overall inherent risk was assessed to be substantial, and project risks were also assessed to be substantial on balance. The overall combined risk was also assessed to be substantial. Although several major financial management risks were identified, the proposed mitigating measures are sufficient for the satisfactory implementation of the Investment Program (Table 11).

Table 11 : Financial Risks and Mitigating Measures

Weakness	Risk Rating	Mitigating Measure
Key staffing – Potential that project manager and/or the procurement and finance specialist leave the Project, and there is shortfall of capabilities within the PMU for auditing and monitoring of funds.	Moderate	Succession plan established within the finance function; skills transfer; good ADB management; smooth transition from RPHSDP to HSSDP; expedient recruitment if necessary.
Counterpart financing – Delays due to fund flows and shortfalls can have significant impact on the completion of projects and available cash flows to the program.	Substantial	Detailed cashflow projections prepared on a monthly basis documenting warrants issued by government, and counterpart expenditure planned. Commitment from government on the amount and timing of financing.
Foreign currency restrictions – lack of available currency can cause delays and have a significant impact on the outcome of projects where foreign currency inputs are required.	Substantial	Utilize the established cash flows to ensure that wherever possible foreign currency denominated payments are made via direct withdrawal application transfers.
IFMS rollout – The decision to use the government run information system could have an impact on the consistency of reporting.	Moderate	If determined by DOT as a requirement a detailed integration plan including relevant chart of accounts.

.

B. Disbursement

71. The ADB loan and DFAT grant proceeds administered by ADB will be disbursed in accordance with the ADB *Loan Disbursement Handbook 2017* (as amended from time to time), and detailed arrangements agreed between the government and ADB. Online training for project staff on disbursement policies and procedures is available.[26] Project staff will be encouraged to avail themselves of this training to help ensure efficient disbursement and fiduciary control.

72. Three advance accounts (1 for ADB regular ordinary capital resources lending, 1 for ADB concessional lending, and 1 for grant co-financing), will be established and administered by the implementing agency (Figure 8 below, Project Funding Flow). For the ADB loans and the DFAT grant the currency of the 3 advance accounts will be US dollars. There will also be a specific trust account for counterpart financing and the currency of the government account is Papua New Guinea Kina. The ceiling of each advance account is the estimated expenditures to be financed through the respective advance account for the forthcoming 6 months of project implementation, or $1.0 million, whichever is lower. Given some of the inherent risks of the project and the existing ceilings used under the RPHSDP, the ceilings for HSSDP advance accounts will be maintained at the current levels. The RPHSDP PMU under the implementing agency (DOH) have effectively managed the relevant advance accounts and the FMA concludes that in the prescribed format the DOH and HSSDP PMU should have the capacity to continue to do so.

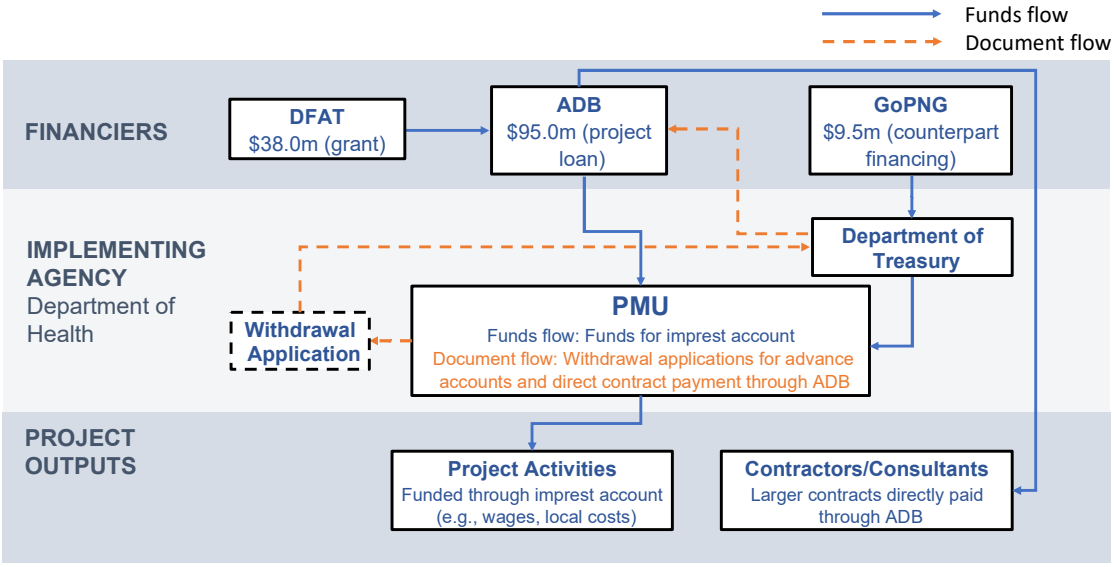
73. The advance accounts under the DOH will be used exclusively for the ADB and DFAT's share of eligible expenditures. The DOT as the representative of the borrower authorizes financing into the advance account, and DOH is responsible for the administration of the advance account.

74. The DOH may request initial and additional advances to the advance accounts based on an Estimate of Expenditure Sheet setting out the estimated expenditures to be financed through the

[26] Disbursement eLearning

account(s) for the forthcoming 6 months. Supporting documents are to be submitted to ADB or retained by the borrower in accordance with the ADB *Loan Disbursement Handbook* (2017, as amended from time to time) when liquidating or replenishing the advance accounts.[27]

Figure 6: Project Funding Flow



75. Before the submission of the first withdrawal application (WA), the borrower should submit to ADB sufficient evidence of the authority of the person(s) who will sign the WAs on behalf of the government, together with the authenticated specimen signatures of each authorized person. The minimum value per WA is stipulated in the *Loan Disbursement Handbook* (2017, as amended from time to time). Individual payments below such amount should be paid (i) by the implementing agency and subsequently claimed to ADB through reimbursement, or (ii) through the advance fund, unless otherwise accepted by ADB. The borrower should ensure sufficient category and contract balances before requesting disbursements. Use of the ADB Client Portal for Disbursements system is encouraged for submission of withdrawal applications to ADB.[28]

76. DOH should submit to ADB annual contract awards and disbursement projections at least a month before the start of each calendar year. DOH is responsible for (i) requesting budgetary allocations for counterpart funds, (ii) collecting supporting documents, and (iii) preparing and sending withdrawal applications to ADB.

77. The government contribution to project costs will be budgeted for in each project year.

C. Accounting

78. The executing and implementing agencies will maintain separate project accounts, records

[27] Estimate of Expenditure sheet is in Appendix 8A of the ADBs *Loan Disbursement Handbook* (2017, as amended from time to time).

[28] The CPD facilitates online submission of WA to ADB, resulting in faster disbursement. The forms to be completed by the Borrower are available online at https://www.adb.org/documents/client-portal-disbursements-guide

by funding source for all expenditures incurred under the project and follow international accounting principles and practices. The PMU staff will include one senior accountant and one accountant, and there will be supporting accounting staff at each implementing agency. The PMU staff will complete regular reconciliation with the accounting information maintained by the HSSDP financial management unit. The PMU will maintain all project transaction data in a secure but readily accessible computerized format.

D. Auditing

79. The DOT and DOH, the executing and implementing agencies respectively, will cause the detailed consolidated loan, grant and project accounts respectively to be audited in accordance with International Standards on Auditing, and/or in accordance with the government's audit regulations as set forth in the Audit Act by an auditor acceptable to the ADB. The advance accounts will be audited as part of the annual audit of the HSIP trust account, which will be managed through the Office of the Auditor General. The annual audit may be outsourced to a private firm. International competitive bidding should be considered during the outsourcing process. The audited accounts will be submitted in the English language to ADB within 6 months of the end of the fiscal year by the executing agency or implementing agency as relevant.

80. The audit report for the project financial statements will include a management letter and auditor's opinions, which cover (i) whether the project financial statements present an accurate and fair view or are presented fairly, in all material respects, in accordance with the applicable financial reporting standards; (ii) whether the proceeds of the loan and grant were used only for the purposes of the project; and (iii) whether the borrower or executing agency was in compliance with the financial covenants contained in the legal agreements (where applicable).

81. Compliance with financial reporting and auditing requirements will be monitored by review missions and during normal program supervision, and followed up regularly with all concerned, including the external auditor.

82. The government and DOH have been made aware of ADB's approach to delayed submission, and the requirements for satisfactory and acceptable quality of the audited project financial statements.[29] ADB reserves the right to require a change in the auditor (in a manner consistent with the constitution of the borrower), or for additional support to be provided to the auditor, if the audits required are not conducted in a manner satisfactory to ADB, or if the audits are substantially delayed. ADB reserves the right to verify the project's financial accounts to confirm that the share of ADB's financing is used in accordance with ADB's policies and procedures.

[29] ADB's approach and procedures regarding delayed submission of audited project financial statements:
(i) When audited project financial statements are not received by the due date, ADB will write to the executing agency advising that (a) the audit documents are overdue; and (b) if they are not received within the next 6 months, requests for new contract awards and disbursement such as new replenishment of advance accounts, processing of new reimbursement, and issuance of new commitment letters will not be processed.
(ii) When audited project financial statements are not received within 6 months after the due date, ADB will withhold processing of requests for new contract awards and disbursement such as new replenishment of advance accounts, processing of new reimbursement, and issuance of new commitment letters. ADB will (a) inform the executing agency of ADB's actions; and (b) advise that the loan may be suspended if the audit documents are not received within the next 6 months.
(iii) When audited project financial statements are not received within 12 months after the due date, ADB may suspend the loan.

83. Public disclosure of the audited project financial statements, including the auditor's opinion on the project financial statements, will be guided by ADB's Public Communications Policy 2011.[30] After the review, ADB will disclose the audited project financial statements and the opinion of the auditors on the project financial statements no later than 14 days of ADB's confirmation of their acceptability by posting them on ADB's website. The management letter, additional auditor's opinions, and audited entity financial statements will not be disclosed.[31]

VI. PROCUREMENT AND CONSULTING SERVICES

84. The Project Procurement Risk Assessment and the recent ADB Country and Sector/Agency Procurement Risk Assessment for PNG (2017) confirmed that the procurement systems and capacities in PNG´s health sector remain limited. The procurement risk for the project is rated as moderate to substantial. As is the case under the RPHSDP, the PMU will provide support for comprehensive procurement activities for the project. The project will also assist sector stakeholders in improving their institutional procurement capacity.

A. Procurement of Goods, Works, and Consulting Services

85. All procurement financed under the program will comply with ADB Procurement Guidelines (2015, as amended from time to time), and the Guidelines on the Use of Consultants by ADB and Its Borrowers (2013, as amended from time to time). International competitive bidding procedures, national competitive bidding, and shopping procedures will be used within the thresholds indicated below. ADB has reviewed the public procurement laws in the recent Chartered Security Professionals Registration Authority standards, and conditions have been imposed to ensure consistency with ADB Procurement Guidelines. This will be included as part of the procurement plan.

B. Procurement Plan

86. **Planned procurement**. A procurement plan has been prepared. The plan covers the initial 18-months of the project and includes thresholds as well as procurement and review procedures for goods, works, and consulting services (PAM Appendix 8), Eighteen Month Procurement Plan). The procurement plan will be updated on an annual basis and disclosed on the ADB website. All shortlists and contract awards for consultancy services, and contract awards for goods and works contracts will also be publicly disclosed. The terms of reference for key consulting services are in PAM Appendix 4, Terms of Reference. The project will support the use of local contractors and service providers to support domestic industries and increase local ownership of new health facilities.

87. Except in cases where ADB agrees otherwise, the thresholds and review procedures that will apply to procurements of goods and works are in Table 12 below.

[30] ADB Public Communications Policy

[31] This type of information would generally fall under public communications policy exceptions to disclosure. ADB. 2011. *Public Communications Policy*. Paragraph 97(iv) and/or 97(v).

Table 12: Procurement of Good and Works

Procurement of Goods and Works		
Method	**Threshold**	**Review**
International Competitive Bidding for Works	$5,000,000	Prior
International Competitive Bidding for Goods	$2,000,000	Prior
National Competitive Bidding for Works	$300,000 to $4,999,999	First subject to prior review, thereafter, post review
National Competitive Bidding for Goods	$300,000 to $1,999,999	First subject to prior review, thereafter, post review
Shopping for Works	Below $300,000	Prior
Shopping for Goods	Below $300,000	Prior

88. In line with the government's decentralization strategy and to increase technical capacity and promote ownership on provincial level, works contracts have been packaged for exclusive procurement through National Competitive Bidding (NCB) and the provincial tender boards (PSTBs). Efficient project, contract and risk management will be safeguarded by a strong PMU mandate

89. **Procurement of consulting services.** Procurements of consulting services (consulting firms and individuals) will be according to the Guidelines on the Use of Consultants by ADB and Its Borrowers (2013, as amended from time to time). A summary is below at Table 13.

Table 13: Procurement of Consulting Services

Consulting Services	
Method	**Comments**
Quality and Cost Based Selection	For the selection of Consulting Firms
Individual Consultant Selection	For recruitment of individual consultants
Single Source Selection	For less than or equal to US$100,000 or continuity of existing project

90. All consultant service procurements will be subject to prior review through ADB. An estimated 948 person-months of consulting services (including the PMU of which 476 or 55% are national) will be procured under the project. Consulting firms will be engaged using the quality and cost-based selection method with a quality:cost ratio of 90:10. Individual consultants will be recruited through Individual Consultant Selection other than the initial contract year for the project manager, and the procurement and finance specialist who will both contiguously continue from RPHSDP and partially funded through the program. The highly specialized consultant profiles required under the HSSDP result in a large number of procurements of individual consultants, whose work and outputs will be coordinated by the PMU. All other consulting packages will be advertised using the ADB Consulting Services Recruitment Notice of the ADB Consultant Management System.

VII. SAFEGUARDS

91. **Safeguards categorization**. The program has been screened for impacts and is categorized as B for environment, and C for both involuntary resettlement and Indigenous People as per the Safeguard Policy Statement 2009 (SPS).

92. **Disbursement.** Pursuant to the ADB *Safeguard Policy Statement (2009)* ADB funds may not be applied to the activities described on the ADB *Prohibited Investment Activities List* in Appendix 5 of the Safeguard Policy Statement.[32] All executing and implementing agencies will ensure that their investments in construction and refurbishment of facilities under Output 3 comply with applicable national laws and regulations, and will apply the prohibited investment activities list in Appendix 5 of the Safeguard Policy Statement to subprojects financed by ADB.

93. **Environment.** An environmental assessment and review framework (EARF) has been prepared to guide the process for project investments (Linked Document 16, Environmental Assessment and Review Framework, in RRP Appendix 2). The sites for program investments will be determined after program effectiveness (PAM Appendix 3, Civil Works Selection Criteria). The EARF sets out the process for compliance with the SPS, and the country safeguard system (CSS). The civil works, usually to be located on existing health facility sites in rural districts, will follow standardized designs, and are expected to be small to medium scale. Once sites are selected, specific details on how to mitigate and monitor risks, and impacts will be identified in the initial environmental examination (IEE) to be prepared for each site/facility.[33] An IEE has been prepared for a possible project investment identified during the preparation as an example for IEE preparation when sites are selected against the criteria (Linked Document 15, Initial Environmental Assessment, in RRP Appendix 2).

94. Construction will be over a short period and will be straightforward building construction works. The anticipated construction impacts and risks will be localized, small-scale, and should be readily managed or mitigated with measures identified in the environmental management plan (EMP). Some operational environmental impacts are anticipated, including waste, wastewater, noise, fugitive dust, community and occupational health, and safety. There are a variety of wastewater treatment issues that require consideration. These are site specific and will be assessed and addressed during implementation following SPS requirements, and best practice, applicable codes, and regulations. The operations stage environmental impacts are anticipated to be manageable and will be managed through conventional operation and maintenance practices, health and safety codes, and EMP operational measures. Based on existing practice and mechanisms that have worked successfully in RPHSDP and other projects, the project will establish a grievance redress mechanism to resolve complaints or issues. The grievance redress mechanism will be established early in project implementation, during pre-construction stage activities.

95. The RPHSDP PMU will begin the safeguards processes for project, seamlessly transitioning to the HSSDP. The PMU will follow the procedures set out in the EARF and prepare the IEE including the EMP for each of the project civil works sites. The IEEs will be submitted to the PNG Conservation and Environmental Protection Agency, and to ADB for review and clearance, including issues of permits under CSS. Under the CSS, refurbishment of existing, and construction of small, health facilities do not require assessment but do require permits. Some aspects such as wastewater discharge, water extraction, and air discharge also require permits. To comply with the

[32] ADB. 2009. *Safeguard Policy Statement*. Manila.

[33] During implementation it will be determined whether a group of sites/facilities can be covered in one IEE; this will be discussed and agreed between DOH-PMU, design and supervision consultant supporting the PMU, and ADB.

SPS, assessments will be undertaken of all project civil works sites. A design and supervision consultant, and environmental specialist(s) will support project civil works and assist the PMU to prepare and submit to the DOH, and ADB semi-annual monitoring reports that describe the status and progress of safeguards implementation, and compliance. The semi-annual monitoring reports will be disclosed by DOH and ADB throughout the project, and the DOH will ensure compliance with the EARF, subsequent IEE measures, all loan covenants, and project agreements.

96. **Involuntary resettlement.** The SDP policy actions have no involuntary resettlement impacts. The program civil works under the additional financing will not involve involuntary land acquisition or resettlement, given the selection criteria requires government-owned or church-leased land (PAM Appendix 3, Civil Works Selection Criteria). Nevertheless, the resettlement framework prepared for the original program will also be applied to the additional financing. This is intended to provide guidelines to assess any unanticipated resettlement impacts that may arise during due diligence on land ownership, and for any resettlement plans required (Linked Document 17, Resettlement Framework, in RRP Appendix 2). The social safeguards/gender specialist will be responsible for implementing and monitoring social safeguards during project implementation, including undertaking safeguards assessment, and preparing necessary documents for the succeeding subprojects.

97. **Indigenous peoples.** The majority of the PNG population is Melanesian. Indigenous peoples are defined as distinct and vulnerable groups. The HSSDP policy actions have no indigenous peoples impacts, and the project is not expected to have any negative impact on indigenous peoples. Nevertheless, a separate indigenous peoples framework has been prepared (Linked Document 18, Indigenous Peoples Planning Framework, in RRP Appendix 2) to guide assessment of project civil works both for the original project and additional financing. All project components will be implemented in a culturally appropriate, gender sensitive, and participatory manner.

98. **Safeguard documents**. DOH has endorsed the safeguard documents for the project, and disclosed relevant information from these documents to affected persons, and other key stakeholders. All the safeguards documents have been posted in the ADB website. The project will support the executing and implementing agencies, including safeguards focal points, in strengthening their ability to effectively manage safeguard activities.

VIII. GENDER AND SOCIAL DIMENSIONS

99. **Gender categorization.** The program is classified as "effective gender mainstreaming".

100. **Gender action plan.** There is a Gender Action Plan (GAP) (Linked Document 14, Gender Action Plan, in RRP Appendix 2, and also attached as PAM Appendix 7) based on the poverty and gender analysis during project preparation. The executing and implementing agencies are responsible for implementing the GAP with support from the PMU's Social Safeguards/Gender Specialist, and PMU staff and TA as relevant. Key gender targets include establishing gender friendly health facilities; upskilling of health workforce in reproductive health and safe birth; developing and implementing social inclusion and gender responsive trainings and training materials including for the ISDP; and implementing sex-disaggregated reporting and monitoring from eNHIS. The firm contracted for project monitoring and evaluation will also include assessing progress in gender and social inclusion mainstreaming across all Outputs. The PMU project manager, with support from the proposed gender and social safeguards specialist, and the gender and communication officer, is responsible for the overall effectiveness of gender mainstreaming in

the project, and each PMU staff member and each TA will have responsibility for effective gender mainstreaming in their activities, including for performance measures.

101. **Consultation and participation.** During project preparation, the transactional technical assistance included gender and social inclusion in all consultations as part of its mainstreaming approach. Further consultations by the gender and social inclusion specialist were conducted in rural communities, including with male and female community representatives, community leaders, health facility staff, health staff at the district and provincial levels, other provincial officials, and faith-based health providers. To promote community ownership of the new health facilities, and greater participation in health, the project will continue consultations with communities (and assist in forming stakeholder groups, e.g., community health committees at community level to continuously provide feedback to the project, and to support effective management of the new facilities) as part of the criteria for site decisions, and to support health system change during and after the building of new health facilities.

102. **Barriers to health.** Issues identified during consultations included: (i) gender violence, including its impact on the increase in sexually transmitted illnesses in PNG; (ii) non-inclusive community organization, and decision making; (iii) poor adult and infant diets; (iii) low health awareness, and health seeking behaviors for reproductive health, family planning, and maternal health; (iv) geographical and cost barriers to access; and (v) overall inconsistent community health awareness. and health seeking behaviors.

IX. SELECTION CRITERIA FOR DISTRICTS AND HEALTH FACILITIES

103. The selection of health facility sites will be finalized after Board approval for the proposed SDP project investment against the agreed criteria (PAM Appendix 3, Civil Works Selection Criteria). The same criteria will apply to the additional financing investments.

X. PERFORMANCE MONITORING, EVALUATION, REPORTING, AND COMMUNICATION

A. Program Design and Monitoring Framework

104. The SDP DMF (Appendix 1) has been agreed between ADB, and the executing and implementing agencies. The DMF forms the foundation against which program success will be evaluated. The SDP impact and outcome are unlikely to change during program implementation while there may be output and input changes. The DMF will be monitored as part of the program supervision, and the DMF updated when necessary.

B. Monitoring

1. Program Performance Monitoring

105. Base-line data will be prepared by the DOH and PMU using the district health profiles commenced by government in 2017, and the further health profile information prepared under Output 2.[34] The base-line data will support the PMU developing a comprehensive project performance management system (PPMS) drawing on RPHSDP experience, and based on the SDP DMF (Appendix 1). The DOH and PMU will develop sex-disaggregated baseline data for output and outcome indicators, including for the PPMS, and update and report on these each semi-

[34] Modeled on those developed by Oil Search Foundation for their project provinces.

annually. The Technical Working Group will produce an update on the policy actions every six months, and after each ADB review mission.

106. The PPMS will include procedures to generate data systematically for the gender-disaggregated indicators to measure project progress and impact, and will cite how beneficiaries will be involved in project monitoring and/or evaluation. The process will (i) confirm achievable targets; (ii) finalize monitoring, recording, and reporting arrangements; and (iii) establish systems and procedures to capture required sex-disaggregated data, and information no later than 6 months after loan effectiveness. The DOH and PMU, and participating provinces, will be responsible for monitoring and reporting on project performance to the PSG and ADB, including effective gender-mainstreaming.

107. The ADB-lead inception mission will be fielded as soon as possible after loan effectivity. ADB will conduct semi-annual review missions, and coordinate and lead an annual review by all stakeholders. If necessary, ADB will lead a Special Administration Mission and Supplementary Financing Appraisal Mission.

108. The firm contracted during the first six months of the project for monitoring and evaluation will provide independent monitoring and evaluation, including impact and outcomes evaluation where possible for (i) the MTR at the mid-point of project implementation, and (ii) other targeted evaluations as agreed and negotiated with ADB, the PMU, and DOH (PAM Appendix 4, Monitoring and Evaluation Terms of Reference). The MTR and series of targeted evaluations will include measures of health, social, and economic benefits with a focus on (i) the poor, women, and disadvantaged groups; and (ii) monitoring progress towards achievement of the health Sustainable Development Goals, and other NHP and government health targets.

109. The PMU will support DOH in monitoring key impact and outcome indicators, and associated assumptions with corresponding target dates.

110. In addition to the PPMS, the project annual business plans will include a series of targeted evaluations, and impact and outcome analyses of selected project activities. These will provide evidence-based feedback for continuous quality improvement to guide further activities.

2. Compliance Monitoring

111. Compliance with policy, legal, financial, economic, environmental, social, and other covenants contained in the loan and project agreements will be monitored by the PMU, and reported semi-annually to ADB. The implementing agencies will be required to advise the PMU of any circumstances that result, or will likely result, in noncompliance. ADB will monitor compliance through PMU reporting, and through selective follow-up discussions or more detailed reviews during supervisory missions.

112. In addition to the standard assurances, the Government of PNG has given assurances, which will be incorporated in the loan, grant, and project agreements as applicable.

3. Safeguards Monitoring

113. Progress in implementing safeguards will be reported bi-annually as agreed when developing the PPMS. Environment and social safeguards will be monitored by international and national specialists in accordance with the requirements of the EARF, IEEs, and the Resettlement Framework (RRP Linked Document 17, Resettlement Framework, in RRP Appendix 2) and/or social

safeguards due diligence report(s). The specialists will provide safeguards updates as part of the semiannual progress report, and based on those inputs the PMU will submit semi-annual safeguards monitoring reports to the government, and to ADB. ADB review missions will monitor and report the project's overall safeguards compliance, guided by the Environmental Assessment and Review Framework (Linked Document 16, in RRP Appendix 2). Once accepted by ADB, the semi-annual safeguards monitoring reports will be publicly disclosed in ADB, and government websites.

4. Gender and Social Dimensions Monitoring

114. The implementing agencies, and the PMU through the social safeguards/gender specialist will have accountability and responsibility for effective social inclusion and gender mainstreaming through GAP implementation (Linked Document 14, Gender Action Plan, in RRP Appendix 2, and also included as PAM Appendix 7). Particularly, the social safeguards/gender specialist will be responsible for overseeing and monitoring the implementation of required gender and social mainstreaming activities, and achievement of target indicators during design and construction works. This will include gender training, collecting sex-disaggregated data, and preparing semi-annual GAP implementation monitoring reports during project implementation.

C. Evaluation

115. Semi-annual ADB reviews will be supported by the MTR, and targeted evaluations and analyses, including by the independent contracted firm. The MTR will assess the progress of each output, analyze issues and constraints, assess the effectiveness of mainstreaming social inclusion and gender equity, and determine necessary remedial actions and adjustments. The MTR will evaluate in detail the scope, implementation progress, implementation arrangements, safeguards issues, achievement of scheduled targets including those in the GAP, and any other related or outstanding issues under the program as appropriate. Within 6 months of physical completion of the program and its project, DOH will submit a project completion report to ADB.

D. Reporting

116. DOH will provide ADB with (i) progress reports each 6 months in required ADB format; (ii) consolidated annual reports including (a) progress achieved by output as measured through the indicator's performance targets, (b) key implementation issues and solutions, (c) an updated procurement plans, and (d) an updated implementation plan for next 12 months; and (iii) together with DOT a program completion report within 6 months of physical completion of the program, and its project. To ensure viability and sustainability, project accounts and the executing and implementing agencies' audited financial statements, together with the associated auditor's report, will be adequately reviewed, and action taken as necessary.

E. Stakeholder Communication Strategy

117. DOH with PMU support will provide all important information to the various stakeholders, including the public, in a manner easily understood by them. There will be compliance with national legislation on rights to information. There will also be support to provinces and districts for information campaigns on new health facilities, and for health awareness and health seeking behaviors to keep the public and staff engaged and informed.

118. There will be public disclosure of all project documents through a project website attached to the DOH website. The PMU, under the signature of DOH, will produce a short newsletter every

6 months to inform stakeholders of project progress. All evaluation and analyses results will be disseminated widely, including to other provinces with an interest in health system strengthening. A variety of district and national meetings, workshops, and conferences will be used to keep the staff of the health service, and the public fully informed of developments and progress. These will include community stakeholder committees to provide regular feedback to management, and to staff of relevant local health facilities.

XI. ANTICORRUPTION POLICY

119. In accordance with ADB requirements, an assessment of public financial management, procurement, and anticorruption was undertaken. There are significant risks.

120. **Anticorruption policy**. ADB reserves the right to investigate, directly or through its agents, any violations of the *Anticorruption Policy* relating to the project.[35] All contracts financed by ADB will include provisions specifying the right of ADB to audit and examine the records and accounts of DOH, the provinces, and all project contractors, suppliers, consultants, and other service providers. Individuals/entities on ADB's anticorruption debarment list are ineligible to participate in ADB-financed activities, and may not be awarded any contracts under the project.[36] Relevant provisions are included in the loan and project agreements, and the bidding documents for the project.

121. **Governance and anticorruption.** The PNG government, and the provincial governments will ensure that (i) the project is carried out in compliance with all applicable PNG anticorruption regulations and ADB's *Anticorruption Policy,* including cooperating fully with any investigation by ADB directly or indirectly of any alleged corrupt, fraudulent, collusive, or coercive practices relating to the project; and (ii) all relevant staff actively participate in training in PNG's anticorruption regulations and ADB's *Anticorruption Policy*.

122. **Overall program risks.** Program risks include (i) lack of counterpart funding for recurrent operating costs; (ii) delays in transfer of public funds to PHAs for the health sector; (iii) disruptions in decision-making authority; (iv) civil unrest; (v) weaknesses in procurement controls; (vi) corruption; (vii) inconsistencies in PFM systems, procedures, and skills; (viii) difficulties in retaining trained health worker staff in rural communities, and (ix) security concerns for civil works and other contractors in remote rural areas. The Risk Assessment and Risk Management Plan is at Linked Document 19, in RRP Appendix 2.

123. To the extent possible, the project will be implemented through existing local institutions, and use country systems. To facilitate this, certain governance, fiduciary, and anticorruption safeguards have been incorporated into the project to mitigate the risk of diversion of funds, and to enhance and strengthen governance, accountability, and transparency.

124. Specific transparency and accountability measures include (i) development of a publicly accessible program website within the existing DOH website in which the borrower will disclose key project-related information including costs, safeguards, and procurement; and (ii) establishment of a grievance redress mechanism satisfactory to ADB for receiving and resolving stakeholder complaints.

[35] https://www.adb.org/documents/anticorruption-and-integrity-policies-and-strategies
[36] https://www.adb.org/site/integrity/main

125. **Tender evaluation risks.** A Project Evaluation Committee will be established to address procurement ability, and anticorruption risks. The Committee will be chaired by the DOH Secretary, and include the project manager or delegate, the project architect, and an auditor from the PNG Auditor General's Office. The Committee will define the tender criteria including for replicable smaller civil works, align them with NHSS requirements prior to release of bids, and approve or disapprove awards of contracts, subject to final ADB approval. The Committee will also carry out spot checks, on a random, selective basis, of proposed awards of contracts as recommended by the tender boards at the provincial and central levels. The committee will meet as frequently as necessary to provide necessary input at the time of tendering contracts envisioned by the Procurement Plan, but no less than twice monthly during the tendering period.

126. **Fiduciary risk.** Fiduciary operations risks are addressed through ongoing PFM reforms including through the SDP, building PFM skills, using direct payment for international contracts, and having specialized international procurement, and accountancy consultants in the PMU.

127. Project-specific governance safeguards will mitigate the risk of misuse of funds, and support strengthened governance, accountability, and transparency through (i) use of ADB procurement rules and extensive use of prior review; (ii) independent verification of the quantity, quality, and cost of works by the international supervision consultant; (iii) independent accounting support to develop systems and skills, and to ensure, among other things, timely and rigorous reconciliations, orderly record keeping, and strict adherence to financial management policies and internal controls; (iv) independent external auditing of contracts, project accounts, and financial statements; (v) intensive supervision by ADB and other funding agencies; and (vi) forensic audits of any alleged corruption cases.

128. **Political risks.** The next government election is scheduled for 2022. There may be decision-making uncertainty, and civil unrest in some areas for around six months during this period. To the extent that this poses a risk to the project, it will be broadly diversified and hedged, because the project will be working nationally for Output 1; at the sub-national level for Output 2; and across several provinces, and districts for Output 3 for civil works. The diversification of geography and stakeholders makes it feasible to progress project activities in those areas that have demonstrated preparedness, and have relative safety.

129. **Security risks.** There may be security concerns in some rural areas where civil works and community engagement are agreed activities, and a related concern that local communities will mistrust or not engage with project activities. Mistrust and non-engagement will be mitigated through use of national competitive bidding and shopping to permit local labor to benefit from the project, and by building of cross-community alliances and buy-in for the project through the partnership committees, which include representatives of the local government, and other local partnerships for community engagement.

130. **Staff attrition risks.** Health system staff attrition risks will be managed through staff incentives including refurbishment or construction of adequate staff housing, and ensuring appropriate clinical supervision for local staff based on the health services plans for the participating provinces and districts.

131. **Transparency.** The government, through DOH, will ensure that a section of its website is dedicated to the project from the first year of project implementation, and that it will disclose details of the project, including the audited project financial accounts, project progress, and procurement activities including the publishing of short-lists, invitations for bid, and contract awards.

132. **Ombudsman**. The Ombudsman Commission of Papua New Guinea may be called upon to investigate any irregularities or complaints.

133. **Internal audit**. The audit of the project will be included in the annual plan of work of the internal audit unit of DOH for each year during project implementation.

134. **Grievance redress mechanism**. Within 3 months of the effective date the implementation staff will prepare a grievance redress mechanism, acceptable to ADB, and appoint an officer to receive and resolve complaints or grievances or act upon reports from stakeholders on misuse of funds and other irregularities, including those relating to social and environmental safeguards and interactions with communities. The implementation staff will inform stakeholders of their right to submit complaints or grievances relating to the project.

XII. ACCOUNTABILITY MECHANISM

135. People who are, or may in the future be, adversely affected by the project may address complaints to ADB, or request a review of ADB's compliance under the ADB Accountability Mechanism.[37]

XIII. RECORD OF PAM CHANGES

136. All revisions/updates during the course of program implementation should be retained in this section to provide a chronological history of changes to implemented arrangements recorded in the PAM.

Date of Revision	Revision
23 May 2019	Additional cofinancing investments added

[37] ADB. 2012. *Accountability Mechanism Policy*. Manila.

REVISED DESIGN AND MONITORING FAMEWORK FOR THE INVESTMENT PROGRAM

Impact the Program is Aligned with

Current program

Affordable, accessible, equitable, and high-quality health services for all citizens developed (National Health Plan 2010–2020)[a]

Overall program

Unchanged

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
Outcome **Current program** A more sustainable and efficient healthcare system achieved	**Current program** **By end 2024** a. Average annual provincial health expenditure as a proportion of estimated need increased to at least 80% for 2023–2024 (2013–2014 baseline: average of 53.5%) b. Proportion (%) of children under one year of age who have received three doses of DPT3-Hib-HepB vaccine increased to at least 80% in 2023–2024 (2015–2016) baseline average: average of 49% c. Proportion (%) of births attended by skilled personnel at health facilities increases to at least 50% in 2023-2024 (2015–2016 baseline: 38%). d. Average annual percentage of months that facilities do not have a shortage of any of eight essential supplies for more than one week in any months increased to	a.-d. Annual DOH SPAR reports	Internal or external shocks undermine fiscal consolidation, the safeguarding of health spending, and policy reform efforts. Changes in priorities of government shift resources away from identified reform areas.

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
	at least 85% for 2022–2023 (2015–2016 baseline: average of 69%)[b]		
Overall program Unchanged	**Overall program** Unchanged	Unchanged	Unchanged
Outputs **Output 1** **Current program** 1. National frameworks and PFM enhanced	**Current program** Program targets <u>Programmatic approach</u> 1a. Acts and supporting regulations on PFM, procurement and health brought up to date. 2016 baseline: Public Finances (Management) Act, 1995 with amendments; Provincial Health Authority Act, 2007; Public Hospitals Act, 1994; National Health Administrations Act, 1997 Subprogram 1 1b. A medium-term fiscal strategy for 2018–2021 approved by Cabinet and published (2016 baseline: not approved).	1a. Acts published in the Papua New Guinea National gazette 1b. Medium-term fiscal strategy	Subprogram 1 target has been achieved.
Overall program Unchanged	**Project targets** 1c. National Health Plan 2021–2030 approved by DOH (gender responsive) (2017 baseline: not approved) **Overall program** **Project targets**	1c. National health plan Unchanged	

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
	1c. A costed and prioritized National Health Plan 2021–2030 (gender responsive) approved by DOH (2017 baseline: not approved)		
Output 2 **Current program** Subnational health system management strengthened **Overall program** Unchanged	**Current program** **Program targets** <u>Programmatic approach</u> 2a. PHAs established in 22 provinces by 2023 (2017 baseline: 11 PHAs) 2b. 2018 national budget allocates health function grants under PHA votes (2017 baseline: not approved) 2c. PHA Boards constitute at least one woman from women's organizations or an organization with proven track record on gender work (Baseline = 11 PHAs; 20 when all PHAs implemented post June 2018). **Project target** 2d. At least 10 staff annually (5 males; 5 females) per province with increased knowledge in budget preparation and monitoring, (2017 baseline: N/A) **Overall program** Project target 2e. By 2022 at least 200 health workers with increased	2a. PHA establishment agreements 2b. 2018 national budget 2c. PHA establishment agreements 2d. Annual project reports 2e. Annual project reports	Subprogram 1 target has been achieved.

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
	knowledge in reproductive health care		
Output 3 **Current program** Health service delivery components strengthened	**Current program** **Program targets** <u>Programmatic approach</u> 3a. The percentage of project facilities requisitioning monthly from the area medical stores increased to at least 85% for 2022–2024 (2015–2016 baseline: 0%) <u>Subprogram 1</u> 3b. Revised medical catalogue published (2017 baseline: not published) 3c. 100% of Health Partnerships and MOUs in effect as of November 2017 compiled at the national and sub-national levels, by province and partner category including which partnerships have a gender equity focus (2017 baselines; 80% of national partnership include gender equity considerations) **Project targets** 3d. eNHIS implemented and sex-disaggregated data entered in all 89 districts (2017 baseline: eNHIS implemented data entered in 18 districts in 5 provinces) 3e. At least two level 4 and six level 3 gender sensitive	3a. DOH electronic health information system 3b. Medical catalogue 3c. DOH SPAR reports, project reports 3d. Annual project reports 3e. Annual project reports	Subprogram 1 target has been achieved.

Results Chain	Performance Indicators with Targets and Baselines	Data Sources and Reporting	Risks
Overall program Unchanged	health facility infrastructure upgrades completed and commissioned (2017 baseline: N/A)[d] 3f. 100% of clinical health workers (both men and women) in project-upgraded facilities with increased knowledge in essential obstetric care training course (2017 baseline: N/A) **Overall program** **Project target** 3e. At least two level 4, seven level 3 and eight level 2 gender sensitive health facility infrastructure upgrades completed and commissioned (2017 baseline: 21 level 2 facilities in 2019)[d]	3f. Annual project reports Unchanged	

Program
Not Applicable

Project Activities

1. National frameworks and PFM enhanced (Q2 2018–Q4 2022)

1.1 Developing of standard operating costs for health facility levels 2-4 based on National Health Service Standards (Q2 2018–Q2 2019)[d] (additional financing)

1.2 Supporting health institutional and legislative framework review and drafting processes (Q2 2018–Q4 2019)

1.3 Reviewing progress against the objectives and strategies of the National Health Plan, 2011–2020, and supporting consultative development of a successor sector plan (Q1 2020–Q4 2020)

2. Subnational health system management strengthened (Q2 2018–Q4 2022)

2.1 Developing a model PHA manual, training approach, and course materials (Q2 2018–Q1 2019) (additional financing)

2.2 Capacity building for PHA and facility staff in integrated suite of training programs, including in governance and management, planning, financial management including gender-responsive budgeting, monitoring and reporting (Q4 2018–Q4 2022) (additional financing)

2.3 Developing a PHA monitoring and support framework for DOH (Q3 2018–Q4 2019)

2.4 Capacity building of DOH staff in governance and management, and PHA monitoring and support (Q3 2018–Q4 2022)

2.5 Creating provincial health information profiles (Q4 2019)

2.6 Facilitating PHA CEO annual meetings and national forum bringing together PHAs and relevant central government departments in 2020 (Q1 2019–Q4 2022)

2.7 Assessing and strengthening PHA financial management information systems (Q3 2018–Q4 2020)

2.8 Establish training center for reproductive health and training by 2021 (Q4 2019 – Q4 2020) (additional financing)

3. Health service delivery components strengthened (Q2 2018–Q4 2024)

3.1 Strengthening of medical supplies procurement arrangements and capacity (Q3 2018–Q4 2020)

3.2 Designing and supporting implementation of provincial distribution solutions for drugs and other medical supplies (Q4 2018–Q4 2023)

3.3 Supporting partnership engagement between provinces and districts, and with non-government health sector partners (Q1 2019–Q4 2022)

3.4 Contracting vendor and implementing national eNHIS roll-out, inclusive of training in effective use (Q4 2018–Q4 2021)

3.5 Preparing facility master plans for target provinces (Q3 2018–Q4 2019)

3.6 Awarding contracts for infrastructure upgrades and supervising construction (Q1 2019–Q4 2023)

3.7 Implementing health awareness-raising strategy at civil works sites (Q4 2019–Q2 2024)

3.8 Training of maternal health care workers in project facilities on essential obstetric care (Q4 2019–Q4 2023) (additional financing)

3.9 Supporting model referral guideline development and tailoring of guidelines to project provinces (Q2 2019–Q4 2020)

Inputs[c]

ADB	
Loans (COL and OCR)	
Program loans: (current)	$100 million (regular loan) for Subprogram 1 *$100 million (regular loan) for Subprogram 2* *$100 million (regular loan) for Subprogram 3*
Project loans:	$45.1 million (regular loan) (current) $49.9 million (concessional loan) (current)
$ 0 (additional)	
$195 million (overall)	

Government of Australia
Grant
$ 0 (current)
$38 million (additional)
$38 million (overall)

Government
$9.5 million (current)
$0 (additional)
$9.5 million (overall)

Assumptions for Partner Financing

Current program

None

Overall program

Unchanged

ADB = Asian Development Bank, CEO = chief executive officer, COL = concessional ordinary capital resources lending, DOH = Department of Health, DPT3 = diphtheria-pertussis-tetanus vaccine; eNHIS = electronic national health information system, N/A = not applicable, OCR = ordinary capital resources, PFM = public financial management, PHA = Provincial Health Authority, Q = quarter, SPAR = sector performance annual review.

[a] Government of Papua New Guinea. 2010. *National Health Plan 2011–2020: Transforming our Health System towards Health Vision 2050*. Port Moresby.

[b] Essential medical supplies comprise Depo-Provera injections (family planning), Ergometrine (maternal health), Measles vaccines, oral rehydration solutions (diarrheal disease), oxygen, Amoxicillin tablets, Artemisia combination, and baby books.

[c] The timelines for performance indicator targets are applicable to all three outputs.

[d] Health facility service levels refer to community health posts (level 2), health centers (level 3), and district hospitals (level 4).

Source: Asian Development Bank.

PROJECT DESIGN SYNERGIES

A. Introduction

1. This appendix provides further detail of project design thinking to support sustainable health system change. The purpose is to assist DOH and PMU planning for the inception phase and beyond, including the development of the PPMS.

2. The HSSDP policy program loan will support national public finance, and health policy reforms to improve the fiscal space for health and subnational flow of funds. The project loan will finance investments that support the delivery of the policy actions, and ensure they are effectively operationalized to improve service delivery.

B. Design Thinking for Synergies

3. A key challenge for the effective governance and management of a health system is understanding the whole, and not just the parts. Health systems tend to be organizationally and managerially in discrete units or silos, partly because of the complex nature of a health system. Effective governance and management of a health system requires integrating and synthesizing information across these discrete units through various information lenses, and using the information effectively for sound decision making towards good clinical, and population health outcomes.

4. The HSSDP design takes a whole-of-health system, change management approach to support PNG accelerating progress towards Universal Health Coverage through strengthening its health system. The project design aims to support government efforts for transformational health system change through synergistic linkages and leverages between and across the three project outputs, under the umbrella of and linked to the HSSDP national policy reforms. The HSSDP project design builds on the experience of the RPHSDP, and has a sustainable, strategic, and layered approach to support the government implement essential finance, health, and workforce management information systems, and in parallel expand the required competencies, skills and aptitudes for their effective use by boards, clinicians, managers, policy makers, and various corporate roles including analysts.

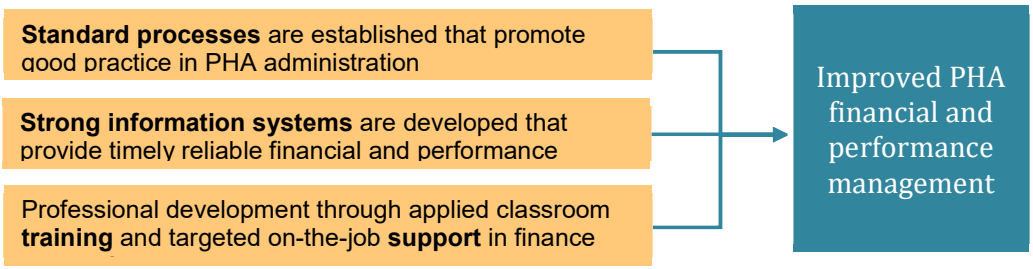
5. The integrated suite of organization and people development programs (ISDP) delivered through Output 2 is cross-cutting through all outputs. ISDP supports all other activities including (i) public financial management reforms in Output 1; (ii) civil works at district level through Output 3 built to the PNG National Health Service Standards; (iii) clinical up skilling at the new facilities to meet the Standards; (iv) community consultation on the civil works, and health promotion strategies linked to this to raise community health awareness, and health seeking behaviors; (v) information systems support for their effective use; (iv) support to the DOH to minimize the current frequent stock outs of basic, essential drugs. These approaches to health system change will provide models for adaptation and replication elsewhere in PNG, and the Pacific where there are similar local circumstances to PNG.

6. The development of standard processes will ensure the promotion of good practice in PHA administration, avoid unnecessary duplication and reinvention as more provinces adopt the PHA management structure and modality, and provide a rigorous platform for the design of the ISDP programs. A practical example of establishing standard processes is the development of a financial management manual for PHAs that meets both health sector needs, and central agency requirements.[38]

[38] Compliance with the PFMA and related guidelines.

7. In agreed areas, the HSSDP will assist PHAs achieve strong information systems across planning, financial management, human resource, and health information platforms to provide timely and reliable information that is used effectively. A practical example of this is the rollout and continued refinement and effective use of the electronic National Health Information System (eNHIS) that provides the sector with timely information on health service delivery performance. The ISDP is integral to skills and knowledge transfer on their effective use. This HSSDP approach is presented in Table 1 below.

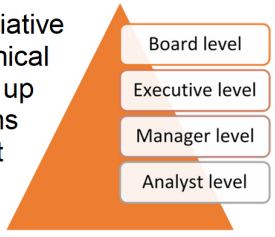
Figure 1: The HSSDP Approach – Integration of Processes, Systems and Professional Development



8. All training and development programs, across all outputs, will be action-learning based, involving a blend of applied classroom training, and targeted on-the-job support where needed. The design of the integrated suite of development programs will enable their cost-effective delivery at scale. Some development programs will be delivered nationally (e.g., senior health managers), some regionally (district managers), and some locally (PHA Boards, clinical up skilling associated with each new health facility in Output 3, and targeted on-the-job training such as for PHA budget development after class-room learning).

9. A local training/education provider or providers will be identified for some or all of the programs in Year 1 of HSSDP for skills transfer for sustainability. There are early discussions with The Precinct on this, for example.

C. Content Overview of Cross-Cutting Training Programs



10. The HSSDP organization and people development initiative will promote an evidence-based approach to corporate and clinical governance, health management, and facility-based clinical up skilling in Papua New Guinea. The integrated suite of programs will include health monitoring, data analysis, PFM, patient safety, effective leadership and management models, the National Health Service Standards, and community engagement and consultation. Social inclusion and gender mainstreaming will be key principles throughout. The content of the programs will be modified to meet the information and learning needs of the differing levels, with the analyst level typically requiring more in-depth and hands-on learning compared to other levels. An overview (see Table 1 for further detail) is:

i. Board – two-day governance development program on appointment, and one day annually for continuing professional development (CPD) including on the effective use of high level information;
ii. Executives and managers – programs with a variety of models, approaches, and information tailored to their roles to lead, manage, and monitor their area

of responsibility to support excellence in patient care, better health indicators, and provide advice to the Minister/the DOH/the PHA Board/the PHA CEO as relevant;

iii. Multidisciplinary clinical staff – clinical governance programs for effective systems, processes, and quality indicators for patient safety, and good clinical outcomes; clinical up skilling to meet National Health Service Standards in each new health facility; and health promotion skills transfer;

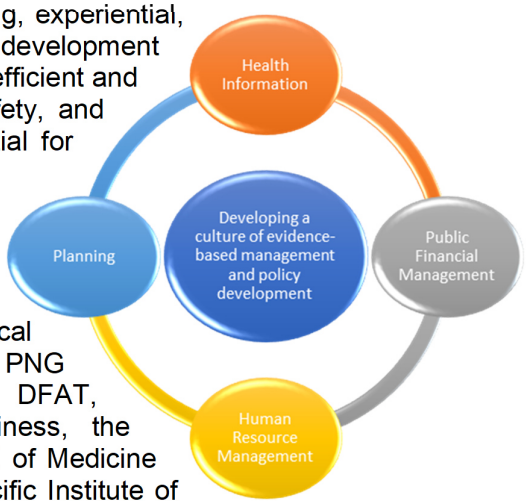
iv. 'Analysts' in corporate services areas, policy developers, planners – programs that impart the skills to manipulate and interpret data, and convey information in appropriate ways to effectively communicate to the range of key stakeholders (Table 1).

11. The approach will promote an integrated view of performance data that prioritizes the needs of corporate and clinical governance, management, monitoring, and policy development. There will also be specific training modules that will evolve in response to the analysis of development needs but are likely to include:

i. Using information for effective monitoring and management (finance, HR, health information);

ii. Good budgeting for PHAs (elements of budget *preparation*, and *execution* including reporting).[39]

12. The suite of national, cross-cutting, experiential, integrated organization and people development programs include good budget practice, efficient and effective service delivery for patient safety, and better health indicators. There is potential for catalytic impact.



D. ISDP delivery

13. The ISDP will be delivered by HSSDP in partnership with one or more local providers. Early talks are with the PNG Precinct, which is supported by DFAT, represented by the Schools of Business, the University of Papua New Guinea School of Medicine and Allied Health Sciences, and the Pacific Institute of Leadership and Governance. Specific subject experts will be engaged as required (e.g., for PFM). The programs will be evaluated independently during the MTR. There will be a further evaluation at end-year 4 to guide joint planning on ISDP needs beyond HSSDP, including budget, and funding sources.

14. Skills transfer will be critical as health leadership and management development experience is limited in PNG. The Divine Word University (Madang) offers a Degree in Health Management, and graduates up to 20 per year. Nearly all students are newly graduated from high school, and they struggle to find positions when they graduate from their degree due to their lack of practical experience. The University of Papua New Guinea offers Masters of Public Health but there is little management material in the curriculum. The Australia Awards fund some overseas study in Public Administration, and some Masters in Public Health but the numbers are small.

[39] This will require coordination with the Department of Treasury and the Department of Finance to ensure program training outputs are acknowledged by central agencies, and consistent with Government requirements.

15. RPHSDP has developed a 2-week course in Health Facility Management in conjunction with Divine Word University, and have funded 160 participants (10 from each of the project Districts). The content is basic, and is generally followed up by the RPHSDP Middle Management training. RPHSDP has also worked with the Divine Word University to rewrite their curriculum for a 2-week course for District Health Managers that they completed in December 2017. Formal feedback is awaited but informal feedback is that students gained much from it.

16. There is also a RPHSDP-supported Graduate Certificate in Health Promotion with 27 students – all community health workers in RPHSDP project sites – who graduated in December 2017 from Pacific Adventist University. All have completed or supervised a practical project in their respective catchment areas. Some initiated village water supplies or toilets or general environmental cleanups preparatory for healthy village certification. The evidence may support this continuing under HSSDP.

E. HSSDP project outputs

17. **Output 1: National public expenditure system enhanced**. The project will support the flow of financial and performance data between local facilities, provinces and the national level to support enhancement of the national public expenditure system. The project will provide critical hardware for installing financial systems where appropriate in PHAs including computers, printers, scanners, and devices for connectivity where not already available. Key elements of public financial management (PFM) training will be incorporated into, and reinforced through, ISDP in Output 2 and system change with the civil works and other activities in Output 3. Activities will include preparatory work such as matching of charts of accounts, and assessing software licenses and connectivity availability and costs. Planning will be informed by lessons learned from the 2016/2017 pilot IFMS implementation in East New Britain.

18. **Output 2: Public expenditure management reforms in the health sector.** Experiential, organization and people development programs will be designed and implemented to achieve enhanced skills and competencies, and behavior and attitude changes, across the PNG health system. The aims are (i) accelerated, system-wide enhancement of corporate and clinical governance, leadership and management, and clinical skills in the new facilities leading to sustainable health system change; (ii) a shared language, understanding, behavior and attitudes across the PNG health sector generated through cross cutting content of all strategies while ensuring they are tailored to the target cohort; (iii) systems, processes and procedures to support and maintain system change; (iv) evidence-based improvement in efficient and effective resource utilization;, (iv) better health indicators towards the achievement of the health Sustainable Development Goals; and (v) staff pride in progress continually increasing staff motivation, and inspiring better community confidence in the PNG health system.

19. Output 2 activities will assist the DOH, PHAs, and districts use core information (finance, heath information, and workforce management) for better corporate and clinical governance, health system management, and to understand and integrate gender equity principles and processes in all health sector endeavors. A standard PHA budget design will be developed, and a standard reporting calendar of financial performance. These will be aligned to Output 3 investments including eNHIS implementation and effective use, and health system change associated with the civil works development and implementation, and Output 1 on IFMS, maximizing sustainability potential.

20. There are eight integrated organization and people development strategies. Some are cross-cutting nationally, one is clustered regionally, and others drill down in PHAs to districts. There are synergies between all, they are experiential or action-learning based, social inclusion and gender equity is integrated and mainstreamed throughout, and all will be patient and community-centered, to achieve better health outcomes, and more effective and efficient use of resources. Together they form a robust and strategic organizational development and people development approach to lay the platform for sustainable health system change. Each of the eight programs will share aspects of the same content but will be delivered in greater depth in some, and through different prisms in others. For example, clinical governance will be including in the proposed PHA board governance development programs from the perspective of governance responsibilities. The clinical governance development programs, targeting senior clinicians and managers, will have greater depth including rigorously addressing **how** to implement, manage, and maintain effective clinical governance systems and processes, for better patient safety and clinical outcomes.

21. Unlike many training courses where a specific skill can be observed as having been learned or not at the end of each course, the true impact of development programs takes time because it involves a deeper approach to acquiring new knowledge, understanding, skills, and competencies, and attitude and behavior changes to embed and sustain the new ways of working. It is one reason why a large-scale approach is needed so there are sufficient numbers of people being exposed to different approaches for there to be on-site synergy for change. Evaluation of the impact of the various development programs will therefore be 18-24 months after the end of a program.

Table 1: Overview of Output 2 Draft Activities and Indicative Schedule

	Programs	2018	2019	2020	2021	2022
1	**PHA Governance** *(2 day soon after forming; 1 day annually CPD thereafter; all provinces*	**11 x 2 days** (for new PHAs) **& 11 x 1 day** (CPD)	**22 x 1 day** (CPD)	**22 x 1 day** (CPD)	**22 x 1 day** (CPD)	**22 x 1 day** (CPD)
2	**National Health Executive Leadership Development Program** *(x 2; 11 months long in four [4] two-week residential, one offshore in Australia, possibly James Cook University)*	**No**	**Yes** *(x 1 Program)*	**No**	**Yes** (*x 1 Program)*	**No**
3	**National PHA CEO Forum** *(X 2 each year for two days each)*	**Yes** *(x 2)*	**Yes** *(x 2*	**Yes** *(x 2)*	**Yes** *(x 2)*	**Yes** *(x 2)*
4	**District Management Development Program** *(3 days; total of four [4] held regionally then review)*	**Yes** *(x 2)*	**Possibly**	**Yes** *(x 2)*	**Possibly**	**Possible**
5	**Middle Manager Program** *(~two in each Province over the five years; 3 day each + one-day recall; say, 40 programs)*	**Yes** *(x10)*	**Yes** *(x5)*	**Yes** *(x15)*	**Yes** *(x5)*	**Yes** *(x10)*
6	**Clinical Governance** *(two in each Province over 5 years, say, 50 programs)*	**Yes** *(x5)*	**Yes** *(x5)*	**Yes** *(x15)*	**Yes** *(x15)*	**Yes** *(x10)*

	Programs	2018	2019	2020	2021	2022
7	**Clinical Skills up skilling; civil works related; and health promotion**		**Yes**	**Yes**	**Yes**	**Possibly**
8	**Targeted skills/competency training such as stand-alone PFM, and planning, monitoring including for** 'health analysts', planners, and policy developers engaged in planning, budget and finance, human resources and health information. *(~ two in each project Province over 5 years, say, 30-50 programs, held in conjunction with other activities to streamline travel)*	**Yes**	**Yes**	**Yes**	**Yes**	**Yes**

CPD = continuing professional development, CEO = chief executive officers of PHAs, PFM = public financial management, PHA = provincial health authorities.
Source: Asian Development Bank.

Table 2: Proposed Output 2 Activities Linking Outputs 1 and 3

Outputs	Approaches	Timeline
1. Sustainable overall training approach development	1.1 Consultations to develop strategies on institutionalizing integrated suite of organization and people development programs (including PFM and other program), including delivery modality (partnerships/engagement of local/external training institutions like Precinct, individual consultants, firms, or a new school of health leadership and management at the University of PNG), incentives for participation/knowledge transfer, and retaining of health workforce	May 2018 – May 2020
	1.2 Agreement on cost effective/ sustainable/institutionalized ISDP approach for commencing skills transfer from Year 1 of HSSDP project, and funding after the project finishes	
2. PFM capacity development designed and implemented	2.1 PHA information systems analyzed in finance, human resources, and health information to inform development activities	May-Dec 2018
	2.2 Standardization agreed and developed (e.g., PHA manual)	
	2.3 Design and development of training material	
	2.4 Integration with cross-cutting suite of programs, and schedule for stand-alone training modules	
3. Development programs delivered	3.1 Development programs designed, scheduled, and delivered targeting specific audiences (Table 1) with core content according to audience needs	Jan 2019-Apr 2023
	3.2 Core content reflect health systems strengthening and universal health coverage approach, and includes variations on (i) corporate and clinical governance; (ii) leadership; (iii) management; (iv) understanding of self and others; (v) health system and health financing overview; (vi) planning and budget preparation looking at the annual budget process, basic models and analytical techniques; (vii) monitoring and reporting looking at the health monitoring cycle, use of health information available (financial, human resources, health facility data, and health statistics) to monitor, communicate and drive better health sector performance, and use reporting models and analytical techniques to support management-oriented monitoring and reporting; and (viii) other training areas identified through preparatory activities above.	
	3.3 Clinical up skilling designed and developed reflecting National Health Service Standards specific to each civil	

Outputs	Approaches	Timeline
	works health facility (e.g., immunization, safe birthing, Integrated Management of Childhood Illness, community engagement), and health promotion	
4. On-the-job training	4.1 Support visits to PHAs to apply and institutionalize new skills, knowledge, and competencies from development programs - Timing of visits will be important to coincide with respective steps in annual PFM cycle to ensure maximum impact is achieved in assisting the PHAs in better planning, health service delivery, budgeting, management, monitoring and reporting. - On-site support will be sequenced to complement each development program. - On-site training could be interlinked with classroom development programs to maximize cost effectiveness, and information sharing and learning across PHAs; exchange programs could be considered (e.g., staff of well performing PHAs to be embedded in poor performing PHAs as trainers or vice versa)	Jan 2019-Apr 2023

HR = human resource, OD = organization development, PM = person month, PHA = provincial health authority, PMU = project management unit, PNG = Papua New Guinea, Precinct = Australian Government-funded training institute in Port Moresby.
Source: Asian Development Bank.

22. **Output 3: Health service delivery enhanced.** The proposed civil works will meet the National Health Service Standards and have environmentally sustainable architect designs. The project will use the civil works designs and standards developed under the RPHSDP. Province-specific referral systems are a key element of effective decentralized health services and will be developed for each project province, building on those developed through RPHSDP.

23. Site decisions will be based on submissions from PHAs assessed against agreed criteria. The system-change approach for implementation will include (i) up-skilling of the health workforce at each new health facility site and the pre and post referral sites; (ii) a community development approach to consultation and raising health awareness and health seeking behaviors (e.g., immunization, supervised births) including through Village Health Volunteers; (iii) clean water to villages located between the water source and the civil works assisting women who usually have responsibility for carting clean water, and impacting diarrheal and other water-borne diseases; (iv) bottom-up budget development including for the required workforce profile to meet the PNG National Health Service Standards; and (v) national roll out of and effective use of eNHIS, and the workforce management tool developed through RPHSDP.

CIVIL WORKS SELECTION CRITERIA

A. Subproject Eligibility Criteria

1. The Health Services Sector Development Program (HSSDP) facilitates close coordination and exchange among the health department and central agencies in Papua New Guinea (PNG) to support the 2017 100 Day Economic Plan, the PNG Vision 2050, the National Health Plan (2012−2020), and other relevant policies, plans, and strategies. The Government of PNG has identified health infrastructure at the district level a priority in the Health Services Sector Development Program project. The HSSDP implementing agency is the Department of Health (DOH) and will take the lead in identifying, prioritizing, appraising, designing, and implementing health facility sites identified for investment that meet National Health Standards, building on the experience and health facility designs of the current Primary Health Care Services Development Project (RPHSDP).

2. The HSSDP will target investments at the district level including both district hospitals, and health centers. Site selection will be based on compliance with selection criteria agreed between the government and ADB, including technical, economic, social, and environmental assessments (see below paras 5 and 6). The DOH will seek expressions of interest for civil works from provinces with provincial Health Authorities (PHAs), based on provincial health service delivery plans, documented priorities, and budget capacity to absorb for the new facility. The HSSDP project will support DOH to assess and rank the expressions of interest, and make recommendations to the HSSDP Project Steering Group for decision. The Project Steering Group will be composed of DOH, Department of Treasury, Department of National Planning, Department of Finance, and Department of Local Government.

3. The designs of the health facilities have been developed by the RPHSDP. They meet the requirements of the National Health Standards, are built of low-maintenance materials, include family friendly facilities (e.g. confidential consultation rooms, facilities for families and their children when their loved one must stay overnight), women-friendly labor wards, utilize solar power, and bring clean water to the facility, which is also piped to local villages where possible to assist reduction in water-borne diseases [such as diarrhea]), and provide something of immediate benefit directly to local communities.

4. **Eligibility Criteria.** The selection of civil works sites will be guided by the PNG Medium Term Development Program 2 2016−2017, the National Health Plan 2012−2020 (NHP) and its successor, the Health Services Development Plans of the Provincial Health Authorities, and other relevant plans, policies and strategies, including a social and poverty analysis.

5. **Environmental Criteria.** The Program will exclude civil works sites that are likely to cause major environmental impacts (environmental category A), according to ADB's Safeguard Policy Statement (SPS, 2009). Environmental screening will be conducted for all sites. In selecting civil works sites, environmental criteria will be used for the first level of screening. If the site does not meet any of the criteria, then the site will not be approved as part of the project. The environmental criteria for selection of sites for health facilities are set out below:

   (i) Avoid direct or indirect significant, negative impacts on protected areas defined as wildlife management areas, national parks, or conservation areas.

(ii) Avoid sites that possess any areas of forest or undisturbed natural vegetation. Only sites that have been previously cleared are to be accepted.
(iii) Avoid direct or indirect significant, negative impacts on important items of cultural heritage.
(iv) Avoid areas that are currently under direct human habitation as well as sites that are being gardened.
(v) Do not cause any other environmental impacts that would trigger categorization as a Category A project in accordance with the ADB's Safeguard Policy Statement (2009) and OM/F1/OP Safeguard Review Procedures (2013).

6. **Land acquisition and resettlement.** No civil works site that requires land acquisition with significant resettlement impact, according to ADB's SPS, will be eligible for funding under the project. The inclusion of a civil works site in the project is contingent on compliance with agreed eligibility criteria, to minimize land acquisition, and its impacts:

(i) the civil works site is designed to minimize land acquisition including reduction of geometric standards where needed to avoid significant impacts;
(ii) the proposed civil works has local support;
(iii) the proposed civil works minimize the displacement of residential structures or other permanent structures;
(iv) there is negotiated agreement with affected owners and communities for acquisition of land; and
(v) there is no other significant adverse environmental or social impact; and
(vi) the PHA confirms that funds and resources necessary for the installation, operation, and maintenance of each new health facility are available, and will be provided on time.

7. **Health Sector Criteria.** The facilities must meet health sector priorities and approaches as evidenced through a range of criteria:

(i) **Provinces of greatest need**. Priority will be afforded Provinces of greatest need as ranked in the most recent Sector Performance Annual Report (SPAR), the district profiles being developed, and other data such as from the health information system (eNHIS).
(ii) **The request is for a district level health facility.** As nearly 90% of people in PNG live rurally, focusing civil works on districts to support primary health care for improved health outcomes, is the priority. For this reason, provincial hospital request do not meet the eligibility criteria.
(iii) **The proposed works are consistent with key plans, policies, and strategies.** The request must demonstrate alignment with the Medium Term Development Plan 2 2016−2017 and its successor, be prioritized in the Provincial Health Service Development Plan, and comply with the National Health Service Standards, relevant national laws and regulations and ADB's *Safeguard Policy Statement (2009)* and the Environment Management Plan, Environment Assessment and Review Framework, and Land Assessment Framework.
(iv) **Community consultation and agreement.** The request must provide evidence of community consultation for site selection, and community agreement.
(v) **Sufficient recurrent and operational budget.** The PHA must provide evidence of sufficient recurrent and operational budget for the new facility, including for maintenance, and cleaning, aligned with the DOH Asset Management Policy 2015.

(vi) **Sufficient staff with the right skills set.** The PHA must provide evidence of sufficient health workforce to staff the new facility, with the right skills set to meet the National Health Standards.

(vii) **Higher authority endorsement**. The Provincial Partnership Committee and Provincial Health Authority Board, and/or other relevant authorities if non-State based, have endorsed construction and financial arrangements.

(viii) **Land is unencumbered.** The State or other relevant health service provider (e.g. churches) owns the land unencumbered and has Certificates Authorizing Occupancy (CAO) permits, deeds, and other title documentation.

(ix) **Reproductive health services**. The proposed facility will be able to deliver the full range of reproductive health services, including if on unencumbered Church land.

(x) **Building site access.** There will be access to and from the proposed facility site for vehicles or other transport, or it will be constructed in parallel with the project, and at the expense of non-project funds.

(xi) **One district hospital per district.** If the request is for a district hospital, there will no other district hospital in that district.

(xii) **Return on Investment through population served.** For health center submissions, the population served will be > 10,000.

(xiii) **Augmentation of referral systems**. The facility will augment effective referral systems, e.g. where Community Health Posts (CHPs) have recently been built.

(xiv) **Population, demographics, and transport support the proposal**. The requested facility is based on spatial distribution evidence (population and demographic), and connected by transport and communication links for referrals.

(xv) **Absorptive Capacity.** The District can absorb and utilize the proposed investment taking into account levels of security, law and order, governance, and administrative skills.

(xvi) **Co-financing**. There will be government or DP cofinancing, or in-kind support, the quantum of which shall assist decision machining.

B. Subproject Selection Procedures

8. The DOH will ask for expressions of interests through PHAs, firstly against the health-specific criteria. Each PHA, with the support of the Project Management Unit (PMU), will conduct stakeholder consultations, report the results, and propose civil works sites to the Project Steering Group. If agreed, the proposal will advance to the next stage of environmental, and land acquisition and resettlement, assessments, and poverty and social analysis, paid for by the PMU.

9. After these have been done, the proposal will be fully assessed by the PMU, and must meet acceptable ratings against each of the criteria, or the PMU recommend further works. When the proposal meets acceptable ratings, the PMU will submit the appraisal report and the original proposal to the PSG for endorsement before submitting to ADB for approval. ADB will review the appraisal report and, if necessary, may request additional materials and studies to justify the proposed civil works. ADB's formal approval for projects must be obtained before the tender document preparation for any subproject, and its inclusion for financing under the project.

MONITORING AND EVALUATION TERMS OF REFERENCE

I. OVERVIEW

A. Summary of Monitoring and Evaluation Approach

1. **Outsourcing.** The monitoring and evaluation (M&E) of HSSDP will be outsourced to a firm. The aim is to ensure efficiency, objectivity, and rigor, using a collaborative process with DOH, PHAs, and HSSDP for continuous learning and improvement. Non-participatory, ad hoc approaches based on quantitative data only will be avoided; instead an active learning process is the aim, contributing to health system change.

2. **The principles**. The successful M&E firm will build on the *collaborative and participatory* HSSDP design process, and include those most directly affected, gaining agreement to carry out monitoring and evaluation together. The firm will make special effort to support health system strengthening and development by imparting skills and knowledge to their national counterparts, including conducting M&E workshops for DOH, HSSDP TA, PHA staff and partners when in the field.

3. The successful M&E firm will *collaboratively* design the M&E details with ADB, the TWG, and the PSG, based on the DMF. They will *negotiate* with key stakeholders to reach agreement on what will be monitored and evaluated, how data will be collected, who will do the collection and analysis, how frequently this will be done and in what format, how findings will be disseminated among those involved, and gain a clear understanding of limitation and potential on what actions may be taken as a result. At all times the successful M&E firm will attempt to use available data, thereby working within the GOPNG systems, and actively assisting their strengthening.

4. The successful M&E firm will build in processes for *learning*, as the basis for subsequent improvements and corrective action. Communication and engagement with key stakeholders will be key foundations for the effective relationships required to support learning, and health system change. *Flexibility* will be a key component given the numerous stakeholders and the wide variety, the often-rapid changes in the GOPNG landscape, and the need to bring people on the journey of continuous improvement for sustainable change.

5. The successful M&E firm will incorporate the outcomes of the proposed collaborative M&E approach on ISDP between HSSDP PMU and the preferred GOPNG provider institute, to accelerate and support ISDP skills transfer.

B. TOR for Inclusion in M&E Contract

5. **Principles.** The successful M&E firm will need to provide evidence that their approach will be based on the principles of collaboration, participation, negotiation, learning, and flexibility, and demonstrate how these will be applied in the GOPNG context.

6. **Methodology.** The successful M&E firm will take an initial formative approach, collaboratively developing annual performance indicators based on the HSSDP RRP, PAM, and DMF, to create transparency for ongoing M&E. From these discussions and negotiations, the successful M&E firm will (i) prepare a baseline for HSSDP and each project activity by Output, (ii) prepare an M&E Plan for Years 1 and 2, for agreement by ADB, and DOH. Thereafter the M&E Plan will be rolled out annually, always with at

least a two-year horizon, adjusted according to any changing context, and experiences and learning across all project outputs.

7. **Field visits**. The purpose of the M&E process is to minimize risk, and support ongoing HSSDP improvement for the ultimate goal of sustainable health system change. Formative M&E will continue through the life of the project augmented by impact and outcome analysis for health system change. The firm will conduct M&E visits to PNG each six months until the MTR in Year 2.5. Thereafter the process may be annual subject to MTR recommendations. The M&E process will include performance tracking, performance improvement planning, risk assessments, and recommendations to ADB and DOH for the update of the HSSDP design where appropriate.

8. **Reports.** The successful M&E firm will provide reports to ADB and the DOH no longer than four (4) weeks after each M&E input, which present (i) progress against the original design; (ii) planned versus actual project performance based on the M&E plan; (iii) a review of the implementation schedule to confirm project duration; (iv) successes for continuation and replication elsewhere; (v) any constraints; (vi) sex-disaggregated data and equity issues; (viii) innovative approaches to continuous improvement for accelerated health system change, and (ix) recommendation to ADB and DOH as appropriate. These reports will also be available on the DOH and ADB web sites.

9. The successful M&E firm will design a learning strategy and activities, aligned with their field visits and HSSDP activities, and integrated where feasible (e.g., Output 2 ISDP, or Output 3 health system strengthening), to impart M&E knowledge and skills to GOPNG counterparts.

10. An overview of the M&E approach against which the successful M&E firm will develop their approach is at Table 1 below.

Table 1: M&E Overview

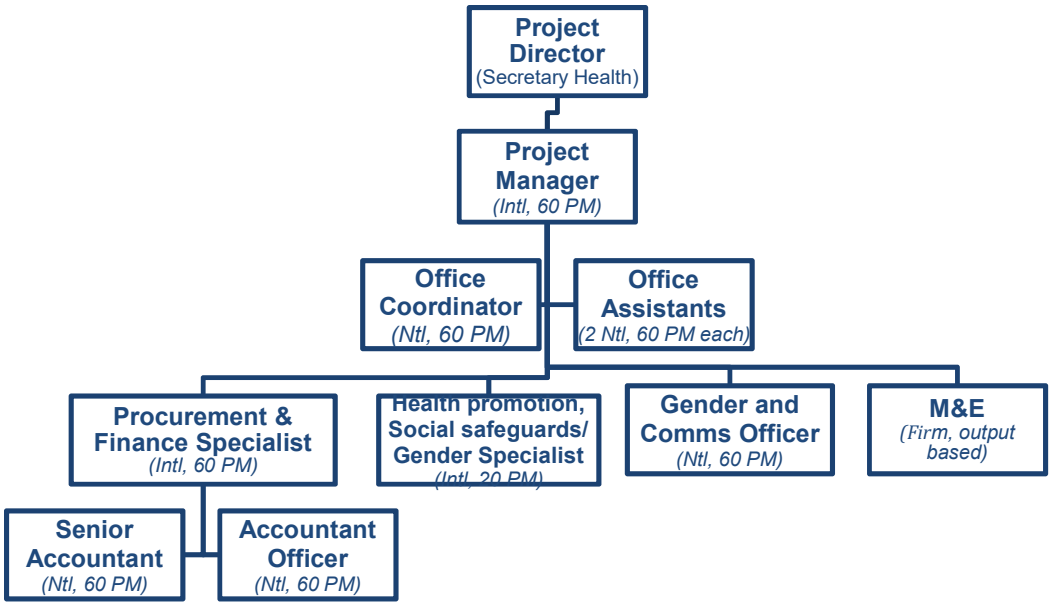
Continued Project Rationale	**Project Efficiency**
Alignment with GOPNG plans? Reflects development priorities? Changes needed? Improvements? Innovation? Learning?	Implementation on time and at cost? Possible efficiency gains? Improvements? Innovation? Learning?
HSSDP Effectiveness (Impact)	**Lessons Learned**
Outputs produced? Impact(s) as a result? Unintended impact(s)? Improvements? Innovation? Learning?	for Project relevance? Achievements? Efficiencies? Replication? Innovation? Learning?

TERMS OF REFERENCE

A. Qualifications and personal attributes. All HSSDP consultants, and PMU staff will have technical qualifications, and experience relevant to the position; act with the highest integrity at all times; have a respected professional reputation; be proficient in English, and ideally PNG pidgin; have strong oral and written communication skills; have excellent interpersonal skills; have the ability to work as part of a team, to maintain effective and cooperative relations with national authorities, and with development and other partners; have the ability to handle sensitive issues with discretion in the complex PNG cultural environment; be experienced in organizing and conducting development programs or training courses, and workshops; build in monitoring and evaluation to all activities using sex disaggregated data where possible and appropriate; and demonstrate the ability to lead or contribute to, and role model, a HSSDP project team culture which incorporates gender mainstreaming, and social inclusion.

B. PMU

1. Organogram



(i) PROJECT MANAGER

Contract	**55 person months 2018 Q3 – 2023 Q2**		
Project	PNG: Project of the Health Sector Service Development Program		
Expertise	Project Management		
Source	International	**Category**	Independent

Objective/Purpose of the Assignment:
The Project Manager (PM) will be responsible for the overall leadership, management and implementation of the project. The PM will work under the overall framework of the Health Sector Service Development Program and its Executing Agency, the PNG Department of Treasury, and under the direct guidance of and in consultation with the Secretary of the National Department of Health (DOH) as Project Director, and the ADB Project Officer. The PM will ensure gender sensitive and inclusive systems and procedures to achieve the

objectives and targets in the project design including the monitoring framework (DMF), ensure gender mainstreaming and social inclusion through all activities, and align all endeavors with the requirements of the PNG government and ADB.

Scope of Work:

- Develop collegial working relationships with key stakeholders including the relevant National Department of Health (DOH) counterparts and support the development of a relevant 'inline' position by the end of the project.
- Establish and implement the Project Management Unit (PMU) including systems and procedures for management, monitoring, and reporting.
- Determine, minimize and manage project risks.
- Ensure the implementing agencies have effective operating procedures that are in line with ADB operational guidelines for all project activities, disbursements, reporting, and monitoring and evaluation to achieve results.
- Ensure the project is implemented according to the report and recommendation of the President (RRP), Project Administration Manual (PAM) and any subsequent instructions/guidance from EA and ADB.
- Coordinate with ADB and the government to ensure smooth funding flow.
- Establish effective working relationships with key national, provincial and district stakeholders, state and nonstate, to promote complementarities and efficiency.
- Oversee the transition of the PMU to DOH over the life of the project.
- Underpin all activities with best practice leadership, management, organization and people development, and change management strategies, and ensure gender mainstreaming and social inclusion underpin all activities.

Detailed Tasks:

- Lead and role model a PMU culture of gender mainstreaming and social inclusion.
- Coordinate and realize synergies between outputs 1-3 at national, provincial level and district levels.
- Liaise with and build links between provincial and district authorities and relevant nonstate service providers.
- Liaise with other development partners to eliminate overlap or duplication and promote synergies, complementarities, efficiencies, and collegiality.
- Recruit and effectively manage long term and short term (international and national) consultants/firms based on ADB procurement guidelines.
- Support project provinces to develop or update health services plans.
- Assist in the design and delivery of the integrated suite of OD and people development programs in Output 2.
- Ensure design briefs for district hospitals, health centers, any other health facilities built by the project meet National Health Service Standards.
- Advise the Secretary and DOH and facilitate the development of health policies, PHA By-Laws, and other matters as relevant and appropriate.
- Participate in health development partner meetings.
- Attend the HSSDP Technical Working Group as a non-voting participant.
- Consultatively develop an exit strategy including a sustainability plan by the Mid Term Review.
- Manage, monitor and meet accountability requirements including preparing and managing annual business plans and formally reporting monthly, each six (6) months and annually. meeting at least fortnightly with the Project Director. having at least weekly telephone meetings with ADB Project Officer. providing an annual audit report to government, ADB, co-financers, formal partners. providing the Secretariat to the Project Steering Committee and provide relevant reports. other accountability mechanisms as required.
- Support and participate in joint inception mission preparation, implementation and discussion with government and other relevant stakeholders.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis.
- Other duties as assigned and agreed.

Reporting Requirements:

- The Project Manager reports to the Project Director/Secretary for Health and the ADB Project Officer, and provides monthly, six (6) monthly, and annual reports of project progress and activities and as required.

Expected outcomes

- The project contributes to the goal of the National Health Plan 2010-2020 of affordable, accessible, equitable, and high-quality health services for all citizens developed.
- The project progress and outputs scheduled in the annual business plans and project DMF are reported on monthly, six (6) monthly and annually and reviewed externally at the Mid Term Review.
- Grant covenants will be monitored and reported to ADB.

Key relationships

- ADB Project Officer
- Secretary for Treasury
- Secretary for Health
- Senior Executive Managers, Provincial Administrators, Provincial Health Authority CEOs, Health Advisers
- Direct reports in PMU
- Co-financiers and formal partners
- Development partners

Person Specifications

- At least 15 years senior experience in health leadership and management
- At least five years previous experience as an effective PMU manager in health in PNG
- Relevant qualifications
- Ability to establish and maintain effective relationships with multiple stakeholders, with ADB and with partners

(ii) PROCUREMENT AND FINANCE SPECIALIST

Contract	**55 person months 2018 Q3 – 2023 Q2**		
Project	PNG: Project of the Health Sector Service Development Program		
Expertise	Procurement and Finance Specialist		
Source	International	**Category**	Independent

Objective/Purpose of the Assignment:

The consultant will provide oversight on procurement, finance, accounting and support management of the project. The consultant will ensure gender mainstreaming and social inclusion in all activities and develop collegial, constructive relationships with state and nonstate key stakeholders.

Scope of Work:

- Develop collegial working relationships with key stakeholders including the relevant National Department of Health (DOH) counterparts and support the development of an 'inline' position by the end of the project.
- Provide operational and professional supervision of the Project's Accounting Team.
- Refine the project's 18-month procurement plan and develop a detailed procurement plan, strategy, and manuals (if necessary) in accordance with ADB and Government of PNG procurement laws and regulations.
- Update the procurement plan and methods every six (6) months for the project six (6) monthly and annual reports or whenever necessary.

- Plan and conduct procurement training for the implementation agencies' staff on the use of standard bidding documents, requests for proposals, evaluation reports, contracts and procurement guidelines.
- Maintain coordination of project procurement activities and be responsible for the achievement of all project-related procurement targets.
- Manage the advertising process involved in procurement, procurement correspondence, bid receipt, and bid opening in strict accordance with the agreed upon procurement procedures.
- Manage the project procurement filing system in a systematic manner.
- Participate in contract negotiations.
- Prepare and execute purchase orders and requisitions.
- Store proposals and related bank securities in a safe location.
- Prepare physical progress and overall procurement activity reports quarterly for the Project Manager.
- Be responsible for project financial management, ensuring compliance with ADB policies and procedures.
- Ensure that annual budgets are prepared in advance of the financial year based on interaction with – as relevant - the Department of Health; provincial government and provincial health authority personnel; engineers and other project-related staff; and representatives of the National Planning and Monitoring Department and Department of Treasury.
- Assist the government and project experts in the design and implementation of direct facility funding for newly constructed or refurbished project health facilities.
- Implement a computerized financial management system to track project expenditures and reconcile regularly with ADB and government.
- Liaise with project/government external auditors and internal auditors and be responsible for ensuring timely presentation of the project financial statements for audit.
- Ensure that an annual audit is completed on the project in accordance with ADB requirements.
- Prepare and deliver training courses on financial management for project and government personnel directly involved in project activities including training on ADB financial management and procurement policies and procedures.
- Be responsible for project cash-flow management.
- Be responsible for management of foreign currency transactions and reconciliation.
- Manage PMU national procurement and accounting staff and provide training for skills transfer.
- Provide guidance and direction to relevant individuals, consultants and firms to ensure compliance with ADB's procurement and financial guidelines.
- Oversee the achievement of contractual obligations by the firms for IFMS; eNHIS; the workforce management tool; monitoring, evaluation, research and formative analysis; and others as contracted.
- Maintain effective relationships with national, provincial, and district key stakeholders, and state and non-state partners.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion,
- Contribute to monthly, six (6) monthly, and annual reports.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis.
- Act as Deputy Project Manager for all procurement and financial role and responsibilities; and manage the relevant requirements.
- Act as Project Manager in his absence
- Other duties as assigned.

Reporting Requirements:

- The consultant reports to the Project Manager.

- Procurement and finance activities are reported on monthly, six (6) monthly and annually and reviewed externally at the Mid Term Review, and as required by the Project Manager.

Expected outcomes

- Project procurement and finance activities enable project contribution to the goal of the National Health Plan 2010-2020 of affordable, accessible, equitable, and high-quality health services for all citizens developed.
- Procurement and finance risks are identified, communicated in a timely manner to the Project Manager, minimized and effectively managed.

Key relationships

- ADB Project Officer
- Project Manager
- Engineer/construction manager
- Provincial/district/ provider facilities managers
- Provincial/district finance officers
- Participating non-state partners
- Building services providers
- DOH planning, HSIP finance and procurement officers

Person Specifications

- At least 10 years senior experience in procurement and finance
- At least five years previous experience as an effective procurement and finance expert in health in PNG
- Relevant qualifications
- Ability to establish and maintain effective relationships with multiple stakeholders, with ADB and with partners.

(iii) HEALTH PROMOTION, SOCIAL SAFEGUARD & GENDER SPECIALIST

Contract	TBC **30 person months 2018 Q3 – 2023 Q3**		
Project	PNG: Project of the Health Sector Service Development Program		
Expertise	Health Promotion, Social Safeguards & Gender		
Source	International	**Category**	Independent

Objective/Purpose of the Assignment:

The Consultant will be mainly responsible for the implementation of GAP activities and to undertake safeguards assessment and preparation of required documents for other relevant subprojects, for monitoring progress and providing advice. The Consultant will also educate and support PMU staff and counterparts to become proficient in gender mainstreaming in all of their activities including the development of sex-disaggregated performance and monitoring indicators for all activities, support capacity building in gender responsive budgeting and contribute to Output 2 ISDP where appropriate.

The Consultant will also assist the government by implementing and monitoring safeguards according to ADB requirements and pertinent government policies including ensuring a well-functioning and responsive grievance redress mechanism and maintaining a key role over matters pertaining to access of land for health infrastructure construction (district hospitals, health centers and community health posts) that may have implications for social harmony and conflict avoidance.

Scope of Work

- Provide support to the Project Manager of the PMU to establish baseline indicators that include sex-disaggregated data in all project activities, and monitor their progress throughout the implementation process.
- Develop specific health promotion programs in selected provinces and ensure that all promotion activities (i) establish sex-disaggregated baselines; (ii) implement specific outreach activities involving both men and women; and (iii) programs include an established list of training including family planning, HIV/AIDS, sexual health and mitigation of gender-based violence.
- Train local health workers at civil works sites to promote health seeking for family health services and to deliver basic health promoting activities for community members in balanced nutrition, safe food handling, infection prevention, personal hygiene and sanitation.
- Undertake safeguards assessment including review and analysis of relevant available data and reports, review of the Resettlement Framework prepared for the project, and undertake field visits to the project site to prepare the necessary safeguards requirements for the other sub-projects for submission to ADB and the government.
- Facilitate and undertake public consultations among the affected persons and assist the government in disclosing safeguards information to the affected persons and key stakeholders.
- Provide safeguards training to counterpart staff on resolving project-related land issues and on ADB policy and procedural requirements on social safeguards.
- Develop specific monitoring and evaluation indicators and targets for all GAP activities, in consultation with DOH, Provincial and District officials and other development partners and establish performance and monitoring frameworks for GAP activities.
- Provide inputs to the Project Manager of the PMU on the progress of GAP activities as well as sex-disaggregated data on all project activities, which will be incorporated into quarterly project progress reports.
- Provide or organize gender awareness training for all PMU staff and all project management/implementation staff of DoH, participating Provinces and nonstate providers included in alliance contracts.
- Develop collegial working relationships with state and nonstate key stakeholders including Health Promotion Branch counterparts in the National Department of Health (DOH) and support the development of an ‘inline’ position by the end of the project.
- Implementation of Output 3 for gender responsive community development, health awareness raising and enhanced health seeking behaviors for system change aligned with civil works.
- Provide technical advice to the National Department of Health and training institutions for continuous improvement of health promotion strategies and training courses
- Support the review of the National Health Service Standards as they relate to health promotion and public health issues
- Support a community development, public health and population health approach to planning and provision of health services at the Provincial, District and provider levels.
- Contribute to ISDP design and delivery.
- Quality assure that mainstreamed gender equity and social inclusion is evident in all community and other key stakeholder consultations for civil works and in upskilling training.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.
- Support and participate in joint review missions and other relevant missions for monitoring, evaluation, research and formative analysis.
- Provide regular 6-monthly and annual reports as required by the Project Manager.
- Any other responsibilities as agreed from time to time with the Project Manager.

Qualifications: The Social Safeguards/Gender Specialist will have a degree in sociology, applied social science or other related fields. The specialist will have substantial and recent international experience in gender impact assessment, poverty, and social safeguards due diligence, and experience working in gender policy and implementation issues in several developing countries. Experience in preparing gender assessments diligence in compliance with the ADB requirements in the Pacific will be an advantage.

Reporting Requirements:

- The consultant reports to the Project Manager.

Expected outcomes

- Activities contribute to the goal of the National Health Plan 2011-2020 of affordable, accessible, equitable and high quality health services for all citizens
- District health teams have demonstrated more effective health promotion and clinical skills
- Health facilities provide improved services with a focus on gender specific reproductive health

Key relationships

- Project Manager
- Gender and Communications Officer
- Other project TA
- Project partners

Person Specifications:

- Substantial and recent experience in social safeguards assessment and gender impact assessment
- International experience in social safeguards and gender policy and implementation in several developing countries
- Experience with ADB requirements in the Pacific will be an advantage
- A degree in sociology, applied social science, or other related fields
- Substantial and recent experience in poverty and social safeguards and gender due diligence, and implementation
- International experience in policy and implementation in social development and/or safeguards in several developing countries
- Experience with ADB requirement sin the Pacific will be an advantage

(iv) GENDER AND COMMUNICATIONS OFFICER

Contract	TBC **60 person months 2018 Q3 – 2023 Q2 (full time)**				
Project	PNG: Project of the Health Sector Service Development Program				
Expertise	Communications Officer	**Source**	National	**Category**	Independent

Purpose of the Position:
The Communications Officer provides support and assistance for the Project for the implementation of Health Promotion in local communities.

Scope of Work:

- Develop collegial working relationships with state and nonstate key stakeholders including Health Promotion Branch counterparts in the National Department of Health (DOH) counterparts and support the development of an ‘inline’ position by the end of the project.
- Manage the project website and keep updated with relevant and accurate information.
- Compile and distribute a six monthly newsletter communicating project activities for publication

- Support the implementation of Output 3 for gender responsive community development, health awareness raising and enhanced health seeking behaviors for system change aligned with civil works.
- Coordinate activities with UNICEF, WHO, and the Health Promotion Branch for the development of gender sensitive health awareness raising materials.
- Support the provincial public health teams to undertake a Needs Assessment using the National Department of Health 'Healthy Island program' as the core policy and support the districts develop their Plan of Action for health promotion based on the findings and gaps.
- Support the development of an assessment report from the Project Provinces and an assessment tool for the Provincial Health Authorities to use in the future with gender considerations.

- Work with other consultants to develop their program plan, ensuring that gaps identified by the needs assessment are addressed.
- Support the delegated Provincial and District Health officers to work with the community to establish or re-invigorate health sub-committees as relevant to Project activities.
- Support the District Health Officers to work with the community to implement the Community Action Participation process for civil works catchment population profile.
- Support the delegated Provincial and District Health Officers to provide orientation on health topics, the health system, and its functions with community leaders.
- Work with relevant PMU consultants to develop lesson plans (e.g., for Healthy Islands training) and to deliver training as relevant and appropriate.
- Coordinate with Provincial and District Health Promotion Officers to implement the Healthy Island Concept using the CAP approach to work towards a declaration of "A Healthy Village" as a model for replication in selected Districts.
- Document the diversity of process and outcomes of working towards the declaration of "a Healthy Village" including the CAP process, community profiling, the committee establishment process, orientation, and function, with a focus on capturing lessons learned or innovative strategies which can benefit the rest of Papua New Guinea.
- Support the development of funding proposals based on the CAP process and community identified needs, to submit to the Provincial Health Partnership Committees for review, endorsement, funding disbursement, and monitoring
- Be a conduit and maintain communication between National, Provincial, and District health promotion officers.
- Follow-up with delegated health promotion officers to monitor and provide supportive supervision to each Committee in the model villages with the implementation of their identified Community Action Plan.
- Maintain communication and liaison with health promoting organizations active in CHP catchment populations, such as NGO, CBO, FBO and others, in regard to IEC materials for CHP populations and health promotion activities.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion in all project activities.
- Support the works of the Social Safeguards and Gender Specialist in implementing and monitoring GAP activities and social safeguards including facilitation of all consultations, undertaking field visits and preparation of GAP progress monitoring reports.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis as required.
- Provide regular reports as required by the Project Manager.
- Any other responsibilities as required by and agreed with the Project Manager.

Reporting Requirements:

- The Social Development/Communications Officer reports to the Project Manager for overall management and to the Social Safeguards/Gender Specialist for technical oversight and linkages, and professional supervision and mentoring.
- Provide regular reports as required.

Expected outcomes:

- Community action plans for participating communities completed and at least one partnership project mobilized.
- Project website maintained and information timely and accurate.
- Communication advice assists all Outputs.

Key relationships

- Project Manager
- Social Safeguards/Gender Specialist (international)
- Relevant PMU consultants
- Health Promotion Branch National Department of Health
- Community Based Organizations
- Ward Development Committees, Community Leaders, Local Level Government
- Provincial & District Health Promotion Officers
- District Health Managers
- Project Coordinator at each Provincial Level
- Provincial and District Health Promotion Officers

(v) SENIOR ACCOUNTANT

Contract	TBC **60 person months 2018 Q3 – 2023 Q2**				
Project	PNG: Project of the Health Sector Service Development Program				
Expertise	Senior Accountant	**Source**	National	**Category**	Independent

Purpose of the Position:
The Senior Accountant manages and maintains the financial accounts of the Project and acts as financial controller, meeting international best practice accounting standards.

Scope of Work:

- Develop collegial working relationships with other PMU colleagues.
- Maintain independent Project accounts matching the Government of PNG's chart of accounts, Asian Development Bank account classification and any additional data required by the Project Manager.
- Maintain an audit-ready, detailed paper trail for all transactions involving Project funds.
- Assist with preparation of any ad hoc analytical reports required by the Project Manager and/or the Procurement and Finance Specialist.
- Provide direction and support to and be responsible for the day to day performance of the Accountant.
- Develop an Annual Work Plan and accompanying strategies to optimize resource utilization and mitigate contractual and financial risks to the Project.
- Assist development of procurement schedules, in conjunction with the Procurement and Finance Officer and the Construction Supervisor, for construction/refurbishment works or equipment acquisitions consistent with annual budgets and cash flows.
- Reconcile the Project's independent accounts and provide a written opinion on variations to the Procurement and Finance Specialist at the end of each calendar month.
- Ensure processing of payment within three (3) maximum working days once requested and review every payment to ensure compliance to PFMA and ADB Disbursement Handbook.
- Review advance payments and follow-up for timely settlement of advances and ensure no advance payment remains unsettled for more than 30 days from the completion of intended activity or trip.

- Assist in recording every payment, journal, and receipt voucher into the Project electronic financial management system and complete monthly bank reconciliation by 7th day of every subsequent month
- Support preparation of monthly finance report for submission to all stakeholders.
- Compile vouchers and supporting documents for submission of monthly Liquidation and Replenishment of Expenses to ADB by 25th of every subsequent month and ensure timely replenishment of all claims.
- Substantiate any previously withheld or questioned costs by ADB on liquidation or replenishment claims with accurate supporting documents for reclaim from ADB by 30th November each year.
- Maintain Assets Register and verify quarterly by the 20th day of the months of January, April, July and October.

- Establish and maintain accurate systems, documentation and secure while accessible filing for financial transactions including invoices, receipts, delivery notes, and completion certificates.
- Provide direction and support to and be responsible for the day to day performance of the Accountant.
- Undertake field supervisory visits as requested and assist in tracking progress of project-assisted procurements.
- Ensure compliance to local rules and laws including the Income Tax Act and ensure monthly lodgement of claim for GST refund by 25th of every subsequent month, and periodical follow-up for refund.
- Provide a written Monthly Report to the Procurement and Finance Specialist on progress achieved against the annual work plan, and determine any existing and/or anticipated issues.
- Assist in the preparation of annual financial statement and terms of reference for independent auditing by the Office of Auditor General and facilitate annual auditing by end of 1st quarter from the end of fiscal year.
- Attend management meetings as requested.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis as required.
- Any other responsibilities as required by and agreed with the Procurement and Finance Specialist.

Reporting Requirements:

- The Senior Accountant reports to the Procurement and Finance Specialist and supervises the Accountant.
- Provide regular reports as required by the Procurement and Finance Specialist.

Expected outcomes

- Effective financial management of the Project and financial discipline.
- Project delivered on time and within available funds.

Key relationships

- Procurement & Finance Specialist
- Project Manager
- Senior Engineer/Construction Manager
- Accountant for the Project Management Unit

(vi) ACCOUNTANT

Contract	TBC **60 person months 2018 Q3 – 2023 Q2**				
Project	PNG: Project of the Health Sector Service Development Program				
Expertise	Accountant	**Source**	National	**Category**	Independent

Purpose of the Position:
Under the supervision of the Senior Accountant, the Accountant contributes to managing and maintaining the financial accounts of the Project to international best practice accounting standards.

Scope of Work:

- Develop collegial working relationshps with other PMU colleagues.
- Maintain independent Project accounts matching the Government of PNG's chart of accounts, Asian Development Bank account classification and any additional data requirement by the Project Manager.
- Maintain an audit-ready, detailed paper trail for all transactions involving Project funds.
- Assist with preparation of Annual Financial Statements at the conclusion of each year.
- Assist with the preparation of any ad hoc analytical reports required by the Project Manager and/or the Procurement and Finance Specialist.
- Assist the Senior Accountant to develop an Annual Work Plan and accompanying strategies to optimize resource utilization and mitigate contractual and financial risks to the Project.
- Prepare standard monthly financial reports detailing income, expenditure against budgets and outstanding commitments.
- Ensure compliance to local rules and laws including the provision of Income Tax Act. and ensure monthly lodgement of claim for GST refund by 25th of every subsequent month, and its periodical follow-up for refund.
- Assist with budgeting and cash flows, accounting and reporting functions for the Project.
- Liaise with DOH on procurement and payment processing matters.
- Undertake field supervisory visits as requested and assist in tracking progress of project- assisted procurements.
- Compile all vouchers and supporting documents required for submission of monthly Liquidation and Replenishment of Expenses to ADB by 25th of every subsequent month and ensure timely replenishment of all claims.
- Assist to substantiate any previously withheld or questioned costs by ADB on liquidation or replenishment claims with accurate supporting documents for reclaimed from ADB by 30th November each year.
- Establish and maintain accurate systems, documentation and secure while accessible filing for financial transactions including invoices, receipts, delivery notes, and completion certificates.
- Maintain an inventory of all capital assets procured through Project funds.
- Undertake the duties of the Senior Accountant during periods of annual or other approved leave.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis as required.
- Any other responsibilities as required by and agreed with the Procurement and Finance Specialist and Senior Accountant.

Reporting Requirements:

- The Accountant reports to the Senior Accountant.

Expected outcomes

- Effective financial management of the Project.
- Contribute to ensuring that the Project is delivered on time and within available funds.

Key relationships

- HSIP Management Branch, National Department of Health

- Senior Accountant
- Procurement and Finance Specialist
- Community Health Post and relevant health facilities management

(vii) OFFICE COORDINATOR

Contract	TBC **60 person months 2018 Q3 – 2023 Q2**				
Project	PNG: Project of the Health Sector Service Development Program				
Expertise	Office Coordinator	**Source**	National	**Category**	Independent

Purpose of the Position:
The Office Coordinator coordinates the overall general clerical and logistical support to the Project Management Unit (PMU).

Scope of Work/Detailed Tasks:

- Oversight, cooperatively and collegially, the work of the administrative staff to ensure the efficient operation of the PMU Office.
- Ensure efficient and effective telephone and other electronic systems.
- Plan and oversight an effective PMU document management system.
- Ensure banking, postal and general ad hoc administrative tasks are efficient and risk free..
- Ensure travel and accommodation arrangements are responsive to need, and within budget.
- Oversight provision of vehicle transport (driver) when required for ADB missions or short term consultants.
- Ensure efficient printing and distribution of specifications and contract documentation for civil works as required.
- Oversight and assist with preparation of liquidation documents as required.
- Oversight and assist with preparation and collation of regular and ad hoc reports required by the Project Steering Committee, the Project Director, relevant officers of the ADB and co financiers.
- Ensure rigorous systems for the collection of quotations for procurement needs and invoices for payments to suppliers.
- Monitor integrity of preparing financial vouchers and tracking expenses.
- Respond to ad hoc requests for information and support from Consultants.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis as required.
- Provide regular reports as required by the Project Manager and Procurement and Finance Specialist.
- Any other responsibilities as required by and agreed with the Project Manager.

Reporting Requirements:

- The Office Coordinator reports to the Project Manager, and supports the Procurement & Finance Specialist.

Expected outcomes

- PMU meets deadlines for reports, business papers, and travel requirements
- PMU presents as professional, efficient and client focused meeting the needs of clients and staff

Key relationships

- Project Manager
- Finance & Procurement Specialist
- Administration Assistants

- Senior Engineer / Construction Manager
- Other PMU staff and consultants

(viii) ADMINISTRATIVE ASSISTANT (x 2)

Contract	TBC **60 person months 2018 Q3 – 2023 Q2 (x2)**				
Project	PNG: Project of the Health Sector Service Development Program				
Expertise	Administrative Assistant	**Source**	National	**Category**	Independent

Purpose of the Position:
The Administrative Assistant provides general clerical and logistical support to the Project Management Unit (PMU).

Scope of Work/Detailed Tasks:

- Work cooperatively and collegially with other administrative staff to ensure the efficient operation of the PMU Office.
- Manage the PMU telephone switch system.
- Maintain the PMU document management system.
- Support the PMU with banking, postal and general ad hoc administrative tasks.
- Support the PMU office staff with travel and accommodation arrangements.
- Provide vehicle transport (driver) when required for ADB missions or short term consultants.
- Assist with printing and distribution of specifications and contract documentation for civil works as required.
- Assist with preparation of liquidation documents as required.
- Assist with preparation and collation of regular and ad hoc reports required by the Project Steering Committee, the Project Director, relevant officers of the ADB and co financiers.
- Collect quotations for procurement needs and invoices for payments to suppliers.
- Assist in preparing financial vouchers and tracking expenses.
- Respond to ad hoc requests for information and support from Consultants.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis as required.
- Provide regular reports as required by the Procurement and Finance Specialist.
- Any other responsibilities as required by and agreed with the Project Manager.

Reporting Requirements:

- The Administrative Assistant reports to the Project Manager, and supports the Procurement & Finance Specialist.

Expected outcomes

- PMU meets deadlines for reports, business papers, and travel requirements
- PMU presents as professional, efficient and client focused meeting the needs of clients and staff

Key relationships

- Project Manager
- Finance & Procurement Specialist
- Senior Engineer / Construction Manager
- Other PMU staff and consultants

(ix) TORS FOR CONTRACTED SECURITY FIRM

To be based on those of RPHSDP.

C. TERMS OF REFERENCE FOR OUTPUT 1

(i) HEALTH ECONOMIST

Contract	TBC **20 person months**				
Project	PNG: Health Services Sector Development Program				
Expertise	Health Economist	**Source**	International	**Category**	Independent

Purpose of the Position:
The Health Economist will support the Program, through intermittent inputs, across all three outputs to ensure reform design and implementation and Project activities are technically sound from a health economics and systems perspective, and contribute to the implementation of selected activities.

Scope of Work/Detailed Tasks:

- Output 1: National frameworks and PFM enhanced (estimated input: 50%)
    - Analyze and suggest improved processes for strategic health sector planning and budgeting/funding, including through review of top-down resource allocation approaches and bottom-up basic service costings for different health facility levels
    - Lead the development of standard operating costs for health facility levels 2-4 based on National Health Service Standards
    - Provide inputs into health institutional and legislative framework review, consultation and drafting processes

- Output 2: Subnational health system management strengthened (estimated input: 30%)
    - Provide inputs into model PHA manual development and related course materials in the areas of health economics and systems
    - Provide inputs into training approach development, particularly to develop and assess feasibility of financing options that gradually shift financing of courses to government sources and incorporate contributions from various development partners to ensure sustainable training delivery beyond program duration
    - Support strengthening PHA staff through the integrated suite of training programs as applicable
    - Provide inputs into the PHA monitoring and support framework development for DOH, bringing in aspects of operational cost estimates and staffing gap indicators from a health economics and equity perspective
    - Support strengthening DOH staff in health economics and systems, and PHA monitoring and support

- Output 3: Health service delivery components strengthened (estimated input: 20%)
    - Provide inputs into provincial facility master planning models from a health economics and equity perspective, in view of the impact of health facilities distribution and levels on service delivery costs

Reporting Requirements:

- The Health Economist reports to the Project Manager, and closely collaborates with the PFM Expert, and the other training program design and delivery consultants under the lead of the Organization Development Expert.

Expected outcomes

- Standard operating costs for health facility levels 2-4

Key relationships

- Project Manager
- PFM Expert

- Organizational Development Expert
- Other training program design and delivery consultants

(iii) HEALTH FINANCING AND PFM EXPERT

Contract	TBC **48 person months**				
Project	PNG: Health Services Sector Development Program				
Expertise	Health Financing and PFM Expert	**Source**	International	**Category**	Independent

Purpose of the Position:
The Health Financing and PFM Expert supports the program across all three program outputs, providing on-the-ground support to and advancing work activities led by the Health Economist and PFM Expert (both intermittent positions).

Scope of Work/Detailed Tasks:

- Output 1: National frameworks and PFM enhanced (estimated input: 40%)
  - Support work on improving processes for strategic health sector planning and budgeting/funding, including through review of top-down resource allocation approaches and bottom-up basic service costings for different health facility levels
  - Support the development of standard operating costs for health facility levels 2-4 based on National Health Service Standards
  - In close consultation with DOH, DOT and NEFC as well as other available technical assistance, identify other gaps in health service costing information to support evidence-based health sector budgeting, and support the generation of such information, including for the free primary health care policy
  - Support the development of a financing framework for and costings of the National Health Plan 2021-2030
- Output 2: Subnational health system management strengthened (estimated input: 40%)
  - Carry out capacity development activities for PHA staff through the integrated suite of training programs, particularly in the areas of health financing and PFM
  - Support training of DOH staff in health financing, PFM, and PHA monitoring and support
- Output 3: Health service delivery components strengthened (estimated input: 20%)
  - Support strategic infrastructure investment planning, including by substantiating provincial service development plans with realistic financing frameworks and cost information
  - Provide inputs into provincial facility master planning models from a health economics and equity perspective, in view of the impact of health facilities distribution and levels on service delivery costs
  - Cost-benefit prioritization of health interventions

Reporting Requirements:

- The Health Financing and PFM Expert reports to the Project Manager, and closely collaborates with the Health Economist and PFM Expert, and the other training program design and delivery consultants under the lead of the Organization Development Expert.
- The position will be placed at the intersection between health sector agencies (DOH, PHAs) and central agencies (DOT, DOF, NEFC and others) in an effort to systematically strengthen coordination, exchange of information and close collaboration across agencies playing critical roles in health service delivery.
- The consultant will work closely with other HSSDP consultants and advisors funded by other development partners in the area of health financing and PFM, including DFAT and its partnerships, World Bank, WHO, and Oil Search Foundation.

Expected outputs

- Standard operating costs for health facility levels 2-4
- Costings in areas where gaps were identified, including for the free primary health care policy
- Financing framework for and costings of the National Health Plan 2021-2030
- Health financing and PFM training delivery to PHAs and DOH staff
- Financing frameworks for and costings of provincial service development plans
- Cost-benefit analysis of health interventions

Key relationships within the HSSDP

- Project Manager
- Health Economist
- PFM Expert
- Organizational Development Expert
- Other training program design and delivery consultants

D. TERMS OF REFERENCE FOR OUTPUT 2

(i) HEALTH SECTOR ORGANIZATION AND PEOPLE DEVELOPMENT (OD/HR) EXPERT

Contract	TBC **40 person months 2018 Q3 – 2023 Q2**		
Project	PNG: Project of the Health Sector Service Development Program		
Expertise	Health Sector Organization and People Development Expert (1)		
Source	International	**Category**	Independent

Objective/Purpose of the Assignment:

The consultant will provide expert advice on organization development, people development and change management to all project activities and the National Department of Health, and design and deliver the suite of integrated organization and people development programs for Output 2. The consultant will ensure gender mainstreaming and social inclusion in all activities and develop collegial, constructive relationships with state and nonstate key stakeholders.

Scope of Work:

- Develop collegial working relationships with state and nonstate key stakeholders including the relevant National Department of Health (DOH) counterparts, and support the development of an 'inline' position by the end of the project.
- Support DOH in its changing role in a decentralized health system including the structure, roles and responsibilities, and change management including organization development and training.
- Support the development and implementation of DOH national health workforce planning.
- Build ISDP skills and competences of key DOH people, and their costings.
- Lead the design and delivery of the integrated suite of organizational and action learning people development programs and strategies in Output 2, ensuring cross-cutting content to arrive at 'shared understanding and one language' across the PNG health system.
- Assist DOH and PHAs to decide upon suitable candidates for participation in the integrated suite of programs in Output 2.
- Provide cross-cutting advice to PMU colleagues on organization and people development and change management through all Outputs, ensuring synergy between all relevant activities.
- Support PHAs with roles and structures including staff engagement to avoid industrial issues.
- Support PHAs and Districts to effectively use the electronic workforce management tool for workforce management, planning, and auditing.
- Support PHAs and Districts to develop costed and budgeted annual staff training plans.
- Promote consultation with state and nonstate providers and community leaders to support community relations with the health sector.

- Determine, provide advice on, and transfer skills to a suitable local training institution or institutions to develop ISDP for sustainability of Output 2 initiatives post-project.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis.
- Provide regular reports as required by the Project Manager at least monthly, six (6) monthly, and annually.
- Any other responsibilities as agreed from time to time with the Project Manager.

Reporting Requirements:

- The consultant reports to the Institutional Development/Strengthening Specialist.
- Activities and issues are reported monthly, six (6) monthly and annually and reviewed externally at the Mid Term Review, and as required by the Project Manager.

Expected Outcomes:

- Activities contribute to the goal of the National Health Plan 2010-2020 of affordable, accessible, equitable, and high-quality health services for all citizens developed.
- Integrated suite of organization and action learning people development programs reflect international best practice and there are synergies between all.
- DOH, PHA and District governance, leadership, and management enhanced.
- DOH and PHA structures and processes appropriate for decentralized system.

Key relationships

- Project Manager
- Secretary for Health
- Institutional Development/Strengthening Specialist
- OD and People Development Officers
- Manager, Human Resource Management Branch, DOH
- Manager, Workforce Planning, Standards and Accreditation, DOH
- Local ISDP provider(s)
- PHA CEOs and District Health Managers
- Human Resource personnel in selected PHAs
- Other Project Consultants
- Relevant training institutions

(ii) HEALTH SECTOR ORGANIZATION AND PEOPLE DEVELOPMENT (OD/HR) OFFICER

Contract	**XYZ 20 person months 2018 Q3 – 2023 Q2**		
Project	PNG: Project of the Health Sector Service Development Program		
Expertise	Health Sector Organization and People Development)		
Source	International	**Category**	Independent

Objective/Purpose of the Assignment:

Under the leadership of Health Sector Organization and People Development Expert, the Officer will provide expert advice on organization development, people development, and change management to all project activities and the National Department of Health, and support and contribute to the design and delivery of the suite of integrated organization and people development programs for Output 2. The Officer will ensure gender mainstreaming and social inclusion in all activities and develop collegial, constructive relationships with state and nonstate key stakeholders.

Scope of Work:

- Develop collegial working relationships with state and nonstate key stakeholders including the relevant National Department of Health (DOH) counterparts and support the development of an 'inline' position by the end of the project.

- Support DOH in its changing role in a decentralized health system including the structure, roles and responsibilities, and change management including organization development and training.
- Support the development and implementation of DOH national health workforce planning.
- Support the identification of key DOH people for ISDP skills transfer, and costings.
- Support the design and delivery of the integrated suite of organizational and action learning people development programs and strategies in Output 2, ensuring cross-cutting content to arrive at 'shared understanding and one language' across the PNG health system.
- Assist DOH and PHAs to determine suitable candidates for participation in the integrated suite of programs in Output 2.
- Provide cross-cutting advice to PMU colleagues on organization and people development and change management through all Outputs, ensuring synergy between all relevant activities.
- Support PHAs with roles and structures including staff engagement to avoid industrial issues.
- Support PHAs and Districts to effectively use the electronic workforce management tool for workforce management, planning, and auditing.
- Support PHAs and Districts to develop costed and budgeted annual staff training plans.
- Promote consultation with state and nonstate providers and community leaders to support community relations with the health sector.
- Provide advice on, and transfer skills to a suitable local training institution or institutions to develop ISDP for sustainability of Output 2 initiatives post-project.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis.
- Contribute to regular reports as required by the Health Sector Organization and People Development Expert (1) at least monthly, six (6) monthly, and annually.
- Any other responsibilities as required by and agreed with the Health Sector Organization and People Development Expert (1) and Project Manager.

Reporting Requirements:

- The various TA will report to the Institutional Development/Strengthening Specialist through the Health Sector Organization and People Development Expert (1).
- Activities and issues are reported monthly, six (6) monthly and annually and reviewed externally at the Mid Term Review, and as required by the Project Manager.

Expected Outcomes:

- Activities contribute to the goal of the National Health Plan 2010-2020 of affordable, accessible, equitable, and high-quality health services for all citizens developed.
- Integrated suite of organization and action learning people development programs reflect international best practice and there are synergies between all.
- DOH, PHA and District governance, leadership, and management enhanced.
- DOH and PHA structures and processes appropriate for decentralized system.

Key relationships

- Health Sector Organization and People Development Expert (1)
- Project Manager
- Institutional Development/Strengthening Specialist
- Secretary for Health
- Manager, Human Resource Management Branch, DOH
- Manager, Workforce Planning, Standards and Accreditation, DOH
- PHA CEOs and District Health Managers
- Human Resource personnel in selected PHAs
- Other Project Consultants
- Relevant training institutions

D. OUPUT 3

1. TA TERMS OF REFERENCE

(i) CLINICAL GOVERNANCE AND STANDARDS SPECIALIST

Contract	TBC **48 person months 2018 Q3 – 2023 Q2**		
Project	PNG: Project of the Health Sector Service Development Program		
Expertise	Clinical and Standards Specialist		
Source	International	**Category**	Independent

Objective/Purpose of the Assignment:

1. Support the DOH and Provincial Health Authorities in the design and implementation of a Clinical Governance System through which PHAs ensure proper functioning demonstrating accountability and improvement on quality in health care systems and safeguarding standards of care.
2. Ensure DOH and Provincial Health Authorities conduct detailed assessments of the health facilities before they are commissioned to ensure they meet the National Health Service Standards and advice on equipment required for the health facilities.
3. Ensure new facilities proposed under HSSDP meet the health needs of target catchment population, clinical functionality and health care services as required by the National Health Service Standards.
4. Responsible for ensuring the necessary registration and accreditation of the health facilities; and their functionality as per the National Health Service Standards.
5. Ensure health facilities are adequately staffed with competency on clinical skills; and health facilities deliver improved health services as per the National Health Service Standards.
6. Contribute to the design and delivery of the ISDPs, provide clinical skills to local health workers including training on infection control and waste management, imparting skills, knowledge, and understanding to participants about clinical skills to contribute to better clinical governance, patient safety, quality of care, hospital and health efficiencies and community trust in its heath system.
7. Support the Health Sector Organization and People Development Expert, to provide expert advice on organization development, people development, and clinical practice change to all project activities and the National Department of Health and support and contribute to the design and delivery of the suite of integrated organization and people development programs.

Scope of Work:

- Develop collegial working relationships with state and nonstate key stakeholders including the relevant National Department of Health (DOH) counterparts.
- Support clinical support programs innovation and partnerships including clinical governance development, leadership and management development and work with collaborating partners.
- Support organisation development and delivery of quality improvement initiatives and strategies to impart skills, knowledge and understanding to participants of clinical governance risk management strategies to minimize patients risks, maximise quality of patient care, and contribute to patient safety, and best practice clinical outcomes.
- Facilitate, coordinate and support implementation of the development of Patient Referral Systems designed to assist the planning and coordination of patient care between the different levels of health care services.
- Coordinate and conduct clinical up skilling and training of health workers at specific civil works sites and ensure the development and delivery of essential obstetrics care, newborn care, family planning, IMCI, additional acute care areas: emergency management, and clinical support area within multidisciplinary team approach based on HW knowledge, skills, competencies and currency of practice and as required, coordinate packages of clinical upskilling to be delivered through Universities / Colleges for targeted programs for specialized cadres of health workers.
- Provide clinical expertise to DoH to provide leadership for in-service training for reproductive, family planning and early newborn health to enable oversight and direction in the approval processes for revised curricula and competencies endorsed by DOH.

- Focus on embedding training within specific provinces for the delivery of the Advanced Program in Maternity & Newborn Care for Community Health Workers (including family planning).
- Ensure provinces identify and develop clinical mentors / preceptors who provide clinical supervision and mentoring in reproductive, family planning, newborn care and clinical support components to health workers requiring upskilling.
- Ensure provinces to identify and develop clinical attachments in clinical settings to enable competent health workers to provide safe quality clinical care in rural health services.
- Support DOH in its changing role in a decentralized health system including the organizational structure, roles and responsibilities, and change management including organization development, upskilling and training.
- Support the review of the National Health Services Standards as they relate to models of care, safe quality patient care, workforce and equipment standards and accreditation of health services.
- Support the implementation of DOH national health workforce planning with evidence of workforce productive measures and population targets utilizing workforce management tool for workforce management, planning, and auditing.
- Support PHAs with roles and structures including staff engagement in line with clinical governance.
- Support PHAs and Districts to develop costed and budgeted annual staff training plans.
- Consult with key stakeholders and ensure new project health facilities are culturally appropriate for women and families, promote patient safety functionally, and ensure facilities are equipped for antenatal care, childbirth, postnatal care and other reproductive care services; and ensure delivery of services against the National Health Service Standards for each level.
- Consult with key stakeholders to ensure staff profile and competencies in new health facilities meet National Health Service Standards.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.

- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis.
- Provide regular reports as required by the Project Manager at least monthly, six (6) monthly, and annually.
- Any other responsibilities as agreed from time to time with the Project Manager.

Reporting Requirements:

- The consultant reports to the Project Manager.
- Activities and issues are reported on monthly, six (6) monthly and annually and reviewed externally at the Mid Term Review, and as required by the Project Manager.

Expected Outcomes:

- Activities contribute to the goal of the National Health Plan 2010-2020 of affordable, accessible, equitable, and high-quality health services for all citizens.
- DOH, PHA and District governance, leadership and management enhanced.
- PHA structures and processes appropriate for decentralized system.
- Health facilities demonstrate improvement on clinical functionality and enhanced health care.
- Selected district health teams have more effective clinical skills.

Key relationships

- ADB Project Officer
- Project Manager
- PMU Health Sector Organization and People Development Experts
- Officers of the National Department of Health's Medical Standards Division and Human Resources Management Branch.
- Provincial and District Health Divisions in selected provinces, Provincial Health Authorities
- District health teams

- Other members of the PMU and relevant project consultants
- PHA Partnership Committees

Person Specifications

- At least 10 years senior experience in health leadership and management
- Significant expertise in developing and implementing PNG National Health Standards
- At least five years previous experience at provincial and district level in PNG in effective clinical upskilling, staff and community engagement, community health awareness raising, and encouraging effective health seeking behaviors with a focus on women, children and family
- Relevant qualifications
- Ability to establish and maintain effective relationships with multiple stakeholders, with ADB and with partners

(ii) HEALTH SERVICES PLANNING AND PARTNERSHIPS SPECIALIST

Contract	TBC **21 person months Q3 2018 – Q2 2023**		
Project	PNG: Project of the Health Sector Service Development Program		
Expertise	Health systems strengthening; health sector or hospital management		
Source	International	**Category**	Independent

Objective/Purpose of the Assignment:

The Health Systems Specialist will be responsible for engaging with the provinces and districts to support the development of health service delivery plans and health services partnership agreements in selected provinces with civil society, non-government and private stakeholders to (i) determine the provincial health needs; (ii) define service delivery roles; (iii) specify existing health infrastructure and needs, and support prioritizing investments; (iv) support aligned budgeting; (v) facilitate reporting arrangements; and (vi) promote gender equity in health access. The specialist will support the identification of health facility upgrades under the project, and provide advice on asset management and facility maintenance, and contribute to ISDP design and delivery.

Scope of Work:

- Develop collegial working relationships with state and nonstate key stakeholders including the relevant National Department of Health (DOH) counterparts.
- Support development of Health Service Development Plans by PHAs as they are constituted.
- Provide technical support for the establishment, formalization, and ongoing support of partnership committees in PHAs.
- Support formalization of sustainable partnerships between provincial governments and non-state providers of health services.
- Assess the functionality of PHA Boards and their partnership committees, and support reinvigoration where needed.
- Support the decentralization of functions within Provinces, particular Direct Facility Funding.
- Undertake assessments in Project Provinces of their operating environment including physical, institutional, administrative, legal, policy, and staffing.
- Assess and review existing contractual and other agreements and organizational arrangements in the selected provinces, in particular those between districts and relevant health service funders and providers in the specified provinces.
- Assess the availability, and capacity of potential nonstate health service providers (private, church, and NGOs).
- Support the establishment of new partnership committees, consult with them and existing participating partnership committee members, and other key stakeholders in

the Project Provinces on lessons learned and challenges met in the implementation of the partnerships, and contracts; and consult with the Oil Search Foundation on their lessons learned (see its "Working through a Partnership Model to Improve Delivery of Frontline Health Services").

- Develop operational guidelines and facilitation of Partnership Committee meetings.
- Assist with the management of partnership agreements and contracts, including monitoring and evaluation frameworks.
- In consultation with the Project Manager and Health Sector Organization and People Development Experts, advise the Project Provinces and Districts on management support and supervision approaches.
- Support the monitoring and reporting of output and outcome indicators and performance of each health provider consistent with the DOH monitoring framework.
- Provide advice on asset management and health facility maintenance.
- Contribute to ISDP design and delivery, including the PHA CEO Forum.
- Develop capacity of 'inline' Officers within the Strategic Policy and Planning Division of the National Department of Health and Project Provinces to develop / update Health Service Development Plans.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis as required.
- Provide regular reports as required by the project.
- Any other responsibilities as required by and agreed with the Project Manager.

Reporting Requirements:

- The consultant will report to the Project Manager.
- Provide regular reports as required by the Project Manager.

Expected Outcomes:

- Activities contribute to the goal of the National Health Plan 2010-2020 of affordable, accessible, equitable, and high-quality health services for all citizens developed.
- Effective state and nonstate health partnerships in the Project Provinces.

Key relationships

- Project Manager
- Deputy Secretary, Policy, Planning & Corporate Services
- Executive Manager, Policy and Planning Branch, DOH
- Provincial and District health teams including planners
- PMU Health Sector Organization and People Development Experts
- Other PMU consultants as required

Person Specifications

- At least 10 years senior experience in health leadership and management
- Significant expertise and experience in developing and implementing planning and partnerships at Provincial level in PNGs
- Experience in staff and community engagement, community health awareness raising, and encouraging effective health seeking behaviors with a focus on women, children and family
- Relevant qualifications
- Ability to establish and maintain effective relationships with multiple stakeholders, with ADB and with partners

(iii) ARCHITECT

Contract	**TBC** **55 person months Q3 2018 – Q2 2023**
Project	PNG: Project of the Health Sector Service Development Program

Expertise	Architect		
Source	International	**Category**	Independent

Objective/Purpose of the Assignment:
The consultant will provide expert advice on the scope and specifications for individual building contracts for project health facility civil works, environmentally sustainable designs, construction and engineering including specification of building materials, sustainable energy in remote areas, site-specific renewable energy sources, water harvesting, treatment and runoff management, eco-friendly sanitation, waste destruction systems and other environmental issues relevant in Papua New Guinea. The consultant will ensure that the new facilities upgraded under HSSDP meet the National Health Service Standards. The consultant will ensure gender mainstreaming and social inclusion in all activities and develop collegial, constructive relationships with state and nonstate key stakeholders.

Scope of Work:
- Develop collegial working relationships with state and nonstate key stakeholders including the relevant National Department of Health (DOH) counterparts and support the development of an 'inline' position by the end of the project.
- Use and build on the civil works experience and designs in the Rural Primary Health Services Delivery Project, adapting standard designs for community health posts, health centers and district hospitals to project sites.
- Consult with the DOH, provincial and district health teams, health facility staff, the community, local technical experts, and other key stakeholders and maintain effective relationships.
- Consult with key stakeholders and ensure the design of new project health facilities are culturally appropriate for women and families, promote patient safety functionally, and ensure facilities facilitate all functions per the National Health Service Standards for each level.
- Coordinate with the DOH Health Facilities Branch to strategize, develop and finalize design documents.
- Provide advice for monitoring and evaluation of indicators for climate proofing construction relevant to climate change impacts according to the policies of the Project.
- Advise on scope and specificity of building contracts.
- Develop schematic and detailed design drawings for project civil works.
- Supervise scope of structural, hydraulic, electrical, civil and mechanical engineers and respective drawings.
- Provide support for Building Board Approval to respective Provinces.
- Assist Provincial Supply and Tenders Boards in preparing bidding document and support in specifying construction period and qualification requirements with respect to technical capacities.
- Facilitate pre-bid meeting and bid opening meeting and facilitate bidders in understanding design documentation and technical specifications.
- Support bid evaluations against technical specifications where requested by bid evaluation committee.
- Assist and supervise construction supervisors for construction management, review construction progresses, design compliances and address construction issues and modify design documents where required.
- Assist local contractors in understanding design requirements, design specifications and mentor and strengthen ability of site managers to comply with design documentation.
- Act as a focal point between the PMU, provincial implementing agencies, ADB, and contractors for health facilities upgrade / development.
- Participate in post-occupancy evaluation of both district hospitals and at least one health center in each Province and adopt lessons learned into design, tendering and construction of further project civil works.
- Support the Health Facilities Branch of DOH and provide on-the-job training to relevant national positions and architects for customized design documentation,

refurbishment requirements, re-arrangement of functional necessities and compliance requirements to various standards.
- Support the review of the National Health Service Standards as they relate to health infrastructure development and functional improvements.
- Contribute to ISDP design and delivery with respect to health infrastructure development, maintenance and management.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis.
- Provide regular reports as required by the Project Manager at least monthly, six (6) monthly, and annually.
- Any other responsibilities as agreed from time to time with the Project Manager.

Reporting Requirements:
- The consultant reports to the Project Manager.
- Activities and issues are reported monthly, six (6) monthly and annually and reviewed externally at the Mid Term Review, and as required by the Project Manager.

Expected Outcomes:
- Activities contribute to the goal of the National Health Plan 2010-2020 of affordable, accessible, equitable, and high-quality health services for all citizens developed.
- Project health facilities reflect international best practices in building design, sustainability and environmental impacts for potential adoption by government for health facilities throughout PNG.
- DOH and PHA strengthened.

Key relationships
- ADB Project Officer
- Project Manager
- DOH and its Health Facility Branch
- Provincial and District health teams
- Provincial and District Health Facility managers and staff
- Provincial Supply and Tenders Board
- Provincial Works Manager / Building Inspectors
- Construction Supervisors
- Project Manager
- Finance & Procurement Specialist
- Building contractors

Person Specifications
- At least 10 years senior experience in architecture
- Significant expertise and experience in designing and implementing a range of health facilities within provinces in PNG
- Experience in staff and community engagement and consultation
- Relevant qualifications
- Ability to establish and maintain effective relationships with multiple stakeholders, with ADB and with partners

(iv) ARCHITECTURE DRAFTSPERSON

Contract	TBC **60 person months 2019 Q2 – 2023 Q2**				
Project	PNG: Health Services Sector Development Project				
Expertise	Architecture Drafting	**Source**	National	**Category**	Independent

Purpose of the Position:
The Architecture Draft person is responsible for preparing detail construction drawings for health facilities in the selected districts.

Scope of Work/Detailed Tasks:
- Develop a periodical work-plan (quarterly, semi-annual and annual) with key milestone to optimize resource utilization;
- Work from rough sketches and specifications or schematic design created by Architect;
- Interpret field notes to compile proposed design requirements;
- Prepare Auto-CAD based detail construction drawing and notes;
- Review and monitor quality of construction per works specifications / design documentation and ensure compliance to contract specifications including defects liability requirements;
- Assess the health facility proposed for refurbishment and provide detail assessment report with specific measurements and suggestions for upgrade / refurbishment works along with specific construction materials per local environment;
- Work closely and develop collegial relationships with Health Facilities Branch of the National Department of Health for the delivery of construction or refurbishment projects in rural areas as and when directed;
- Any other responsibility as the management decides from time to time.

Reporting Requirements:
The Drafts person is accountable to Project Architect.

Key relationships
- Provincial and District Officers assigned to Project Works
- Building Contractors
- Environmental Engineer/Architect

Expected outcomes
It is expected that the work of the Drafts person will contribute for detail construction documentation with appropriate notes and information for completing the construction of high quality and sustainable Health Facilities.

Qualification Requirements
- Experience with AutoCAD
- Ability to create 2D and 3D architectural drawings including floor plans and elevations
- At least 3 years of experience in drafting in health sector in PNG
- Possession of relevant formal qualifications;
- Experience in specification of sustainable design of buildings in tropical settings and sustainable energy, water management, waste management and sanitation systems for buildings in remote areas;
- Knowledge of the PNG Environmental Planning Act, 2000, the relevant Building Code, the National Health Plan 2011-2020 and the National Health Service Standards, 2011.

(v) CONSTRUCTION SUPERVISORS x 2

Contract	**TBC**	**20 person months Q3 2018 – Q2 2023**

Project	PNG: Project of the Health Sector Service Development Program				
Expertise	Construction Supervisor	**Source**	National	**Category**	Independent

Purpose of the Position:
The Construction Supervisor is responsible for supervising construction of health faciliity civil works in Output 3 to standard, on time, and on budget.

Scope of Work:

- Work closely with and develop collegial relationships with the Commercial Support Branch and the Health Facilities Branch of the National Department of Health (DOH) for project construction or refurbishment of health facilities.
- Prepare detailed construction activity schedule with specific time-bound construction milestone and reporting requirements in pre-agreed specified template.
- Provide periodical construction supervision and monitoring reports summarizing construction progress, recording any challenges, delays, and non-compliant work supported by documents and/or photographs, and suggesting risk mitigation strategies and actions.
- Ensure that construction activities do not commence at any site until no objection has been given based on PMU environmental specialist review and clearance of the construction EMP (CEMP) prepared by the contractor(s).
- Work with the provincial safeguards officer(s) to review, inspect and monitor compliance with approved CEMP for each civil works contract.
- Prepare periodic monitoring report against the CEMP . Ensure that reporting is consistent with the requirements of the semi-annual monitoring reports.
- Develop a periodical work-plan (quarterly, semi-annual and annual) with key milestones to optimize resource utilization and mitigate contractual and financial risks to the Project.
- Provide technical guidance and support to Provincial and District Officers upon request to scope and document the extent of construction or refurbishment work, and the most appropriate construction methods for each site.
- Work collaboratively with the Project's architect and engineering consultants to finalize design specifications for construction works prior to the invitation of tenders.
- Develop construction supervision and monitoring schedule for each civil works with the Finance and Procurement Specialist aligned to annual budgets and cash flows.
- Review construction progress and certify progress and practical completion of construction/refurbishment projects for the purpose of authorizing contract periodical or final payment and substantiate certifications with reports including photographs.
- Work collaboratively with Provincial Construction Management Unit staff to review and monitor quality of construction works specifications, design documentation, and compliance with contract specifications including defects liability requirements.
- Assess any health facility proposed for refurbishment and provide detail assessment report with specific measurements, suggested approaches, and specific construction materials for the local environment.
- Review environmental factors against the Project Initial Environmental Examination (IEE), support the preparation of Environment Management Plans, and monitor contractors for compliance and periodical reporting.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis as required.
- Provide regular reports as required by the Architect.
- Any other responsibilities as required by and agreed with the Architect and Project Manager.

Reporting Requirements:

- The Construction Supervisor reports to the Architect.
- Provide regular reports as required by the Architect.

Expected outcomes

- Civil works that meet National Health Service Standards and other required standards.
- Civil works are on time, and on budget.
- Civil works that comply with environmental safeguards.

Key relationships

- Project Manager
- Architect
- Provincial and District Officers assigned to Project Works
- Senior Accountant
- Procurement and Finance Specialist
- Safeguard Specialists
- Building Contractors

(vi) (i) ENVIRONMENT SPECIALIST and (ii) ENVIRONMENT OFFICER

Contract	TBC (i) International -15 person months 2018 Q3 – 2023 Q2 (intermittent) (ii) National – 60 person-months (full-time)				
Project	PNG: Project of the Health Sector Service Development Program				
Expertise	Environmental Management	**Source**	International	**Basis**	Intermittent
			National		Full-time

Purpose of the Roles:
The Environment Specialist has overall responsibility for environmental management of the Program, working closely with the National Construction/Environment Supervisors. Together the team is responsible for implementation of environmental safeguards requirements of HSSDP as set out in the environmental assessment and review framework for complying with both country safeguard systems (CSS), and the ADB Safeguard Policy Statement 2009. This will include: (i) screening sites/facilities to determine category; (ii) preparation of environmental assessment(s) of sites and facilities following the initial environmental examination (IEE) prepared as example; (iii) support to integrate the environmental management plans (EMP) into the bid and contract documents; (iv) reviewing and approving contractor's construction environmental management plans (CEMPs); and (v) monitoring and reporting. The detailed tasks and scope of work is set out below.

Scope of Work:

- Coordinate and liaise with the PNG Conservation and Environment Protection Authority (CEPA) on regulatory requirements for the Program overall and projects (sites/facilities) including permitting process.
- Undertake screening of each site/facility to determine due diligence requirements as per the EARF (to comply with the ADB Safeguard Policy Statement 2009 this may require a higher standard of documentation than normally required under CSS for some sites/facilities). Screening briefs (as Environmental Inception Report under the Environment Act) will be submitted to ADB for concurrence, and to CEPA for clearance under the CSS (sites/facilities may be bundled to expedite the review and clearance process).
- Undertake environmental assessment (guided by the initial environment examination prepared as example during Project design) for each site/facility financed under the project and provide advice on environmental risks and possible mitigation factors to Architect for design consideration. Submit the assessment and EMP to ADB for approval.
- Prepare and submit applications and documents to CEPA and obtain applicable permits. If environmental assessment is not required under the CSS, Notification of Preparatory Work will be submitted.
- Update the EMP from the cleared environmental assessment (as required based on detailed design). Ensure that the updated EMP, and all other safeguard provisions and requirements, are included in the bidding and contract documents.
- Provide template and assistance, as required, to contractor(s) as they prepare their CEMP. Review and approve contractor's CEMP. Advise the Architect or

Procurement & Finance Specialist that no objection can be given to contractor taking possession of the site and commencing works.
- Provide guidance and training to provincial safeguards officer(s) (SO), Construction Supervisors and contractor staff on approved CEMP implementation, compliance, and monitoring activities.
- Develop templates and train Construction Supervisors for periodic inspections (and spot checks) at sites and undertake joint inspections at project sites and advise Architect, SOs, and contractors on environmental management issues (including corrective actions required).
- Review the safeguards sections of contractor monthly reports and advise SOs and Construction Supervisors of issues to be followed up or requiring action. Review the reports of SOs on contractor compliance with the approved CEMP.
- Prepare inputs to quarterly progress reporting prepared by the PMU, prepare semi-annual environmental monitoring reports, and submit these reports to the PMU, and to ADB.
- Assist DOH to disclose approved IEEs, and semi-annual monitoring reports to the public.

Reporting Requirements:
- Screening and scoping briefs and Environmental Inception Report (format to be agreed with ADB and CEPA).
- Environmental assessments and/or EMPs for each site/facility.
- Support the provincial implementing agency lodge submissions and environmental permit applications (and any other permit applications) including Notification(s) for Preparatory Work to CEPA.
- Integrate EMPs into bid and contract documents.
- Report on CEMP review and clearance process.
- Provide inputs to quarterly progress reports, and to the preparation of semi-annual monitoring reports.

Expected outcomes
- Compliance with environmental safeguards and effective management and implementation of mitigation measures.

Key relationships
- Project Manager
- Safeguards Officers
- Provincial environment officers
- Social/ Gender Specialists
- Contractor – Environment, Health and Safety Officer

(vii) HEALTH SYSTEMS INFORMATION SPECIALIST

Contract	TBC **16 person months 2018 Q3 – 2023 Q2**		
Project	PNG: Project of the Health Sector Service Development Program		
Expertise	Health information systems		
Source	International	**Category**	Independent

Objective/Purpose of the Assignment:
The health systems and information specialist will support the DOH and PHAs to develop sustainable health information systems, and to report on, and use, integrated data effectively to support decision making including managerial, planning, policy, and strategy, ensuring cohesion between data sets, and with DOH and GOPNG government systems, and support. CRVS.

Scope of Work:

- Consult with key stakeholders and analyze key documents and data to develop a gap analysis of what is versus is possible versus what is needed.
- Provide technical advice to Department of Health, PHAs, and relevant training institutions for continuous improvement in the collection and effective use of health system data.
- Support the use of integrated data in the development and renewal of Provincial Health Services Plans to guide district health system strengthening.
- Review the eNHIS data fields and other information systems.
- Ensure alignment with SPAR KPIs.
- Support sex disaggregated data wherever possible.
- Support the government to report against the SDGs.
- Support the DOH to develop sustainable performance monitoring dashboards to measure Provincial Health Authorities performance.
- Support PHAs to collect and report against the dashboard in a timely manner.
- Consult with key stakeholders to ensure staff profiles, and competencies in selected PHAs and the DOH are appropriate for sustainable data collection, analysis, and effective use.
- Collaboratively contribute to the design and delivery of ISDP under Output 2.
- Support the inclusion of complete birth and death recording (sex disaggregated) in the electronic National Health Information System (eNHIS) and DOH and PHA up-skilling as appropriate.
- Support HSSDP TA in using available data effectively to guide the development of their activities, and their M&E.
- Develop collegial working relationships with key stakeholders, state and nonstate, including relevant Department of Health counterparts.
- Consult with key stakeholders and ensure the design of new project health facilities is culturally appropriate for women and families, promote patient safety functionally, and ensure facilities are equipped for antenatal care, childbirth, postnatal care and other reproductive care services against the National Health Service Standards for each level.
- Consult with key stakeholders to ensure staff profile and competencies in new health facilities meet National Health Service Standards.
- Conduct and coordinate clinical skills up skilling training at civil works sites.
- Contribute to USDP design and delivery.

- Quality assure that mainstreamed gender equity, and social inclusion is evident in all data sets where appropriate.
- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis.
- Provide regular reports as required by the Project Manager at least monthly, six (6) monthly, and annually.
- The specialist will provide advice to ADB, DOH, and PHAs for continuous improvement.
- Any other responsibilities as agreed from time to time with the Project Manager.

Reporting Requirements:

- The specialist reports to the Project Manager.
- Activities and issues are reported on monthly, six (6) monthly and annually and reviewed externally at the Mid Term Review, and as required by the Project Manager.

Expected Outcomes:

- Activities contribute to the goal of the National Health Plan 2010-2020 of affordable, accessible, equitable, and high-quality health services for all citizens.
- Health facilities meet National Health Service Standards.
- Selected district health teams have more effective clinical skills.
- Health facilities upgraded with a focus on gender specific reproductive health.

Key relationships

- ADB Project Officer
- Project Manager and other HSSDP TA
- Health Information Officer
- Relevant officers in DOH and selected PHAs
- Selected district health teams

(viii) HEALTH SYSTEMS INFORMATION OFFICER

Contract	TBC **20 person months 2018 Q3 – 2023 Q2**		
Project	PNG: Project of the Health Sector Service Development Program		
Expertise	Health information systems		
Source	National	**Category**	Independent

Objective/Purpose of the Assignment:

The health systems and information officer will support the health information specialist to develop sustainable health information systems, and to report on, and use, integrated data effectively to support decision making including managerial, planning, policy, and strategy, ensuring cohesion between data sets, and with DOH and GOPNG government systems; and including CRVS.

Scope of Work:

- Under the leadership of the health information specialist, the officer will assist the specialist to:
- Consult with key stakeholders and analyze key documents and data to develop a gap analysis of what is versus is possible versus what is needed.
- Provide technical advice to Department of Health, PHAs, and relevant training institutions for continuous improvement in the collection and effective use of health system data.
- Support the use of integrated data in the development and renewal of Provincial Health Services Plans to guide district health system strengthening.
- Review the eNHIS data fields and other information systems.
- Ensure alignment with SPAR KPIs.
- Support sex disaggregated data in all indicators.
- Support the government to report against the SDGs.
- Support the DOH to develop sustainable performance monitoring dashboards to measure Provincial Health Authorities performance.
- Contribute to CRVS.
- Support PHAs to collect and report against the dashboard in a timely manner.
- Consult with key stakeholders to ensure staff profiles, and competencies in selected PHAs and the DOH are appropriate for sustainable data collection, analysis, and effective use.
- Collaboratively contribute to the design and delivery of ISDP under Output 2.
- Support HSSDP TA in using available data effectively to guide the development of their activities, and their M&E.
- Develop collegial working relationships with key stakeholders, state and nonstate, including relevant Department of Health counterparts.
- Consult with key stakeholders and ensure the design of new project health facilities is culturally appropriate for women and families, promote patient safety functionally, and ensure facilities are equipped for antenatal care, childbirth, postnatal care and other reproductive care services against the National Health Service Standards for each level.
- Consult with key stakeholders to ensure staff profile and competencies in new health facilities meet National Health Service Standards.
- Participate in ISDP as required.
- Quality assure that mainstreamed gender equity, and social inclusion is evident in all data sets where appropriate.

- Contribute to and role model a PMU culture of gender mainstreaming and social inclusion.
- Support and participate in joint review missions, and other relevant missions including for monitoring, evaluation, research, and formative analysis.
- Provide regular reports as required by the Project Manager at least monthly, six (6) monthly, and annually.
- The specialist will provide advice to ADB, DOH, and PHAs on areas for improvement.
- Any other responsibilities as agreed from time to time with the Project Manager.

Reporting Requirements:
- The officer reports to the Health Information Specialist.
- Activities and issues are reported on monthly, six (6) monthly and annually and reviewed externally at the Mid Term Review, and as required by the Project Manager.

Expected Outcomes:
- Activities contribute to the goal of the National Health Plan 2010-2020 of affordable, accessible, equitable, and high-quality health services for all citizens.
- Health facilities meet National Health Service Standards.
- Selected district health teams have more effective clinical skills.
- Health facilities upgraded with a focus on gender specific reproductive health.

Key relationships
- Health Information Specialist
- Project Manager and other HSSDP TA
- Relevant DOH and PHA officers.
- District health teams

(ix) Provincial health private partner engagement expert

Contract	**20 person months**				
Project	PNG: Health Services Sector Development Program				
Expertise	Public health	**Source**	International	**Category**	Independent

Purpose of the Position:
The provincial health private partner engagement expert is responsible, through intermittent inputs, to support selected provinces where there are private-for-profit investment activties to partner with the provincial health authorities and provincial governments to improve health services. This will be done through increased engagement of key stakeholders leading to improved collaboration, better sector advocacy, joint solutions to technical issues. The expert will also support the partnership team at the Department of Health to develop capacity in monitoring partnerships based on subnational experience.

Scope of Work/Detailed Tasks:
The assignment will cover:

I. Map private-for-profit partners who have expressed interest in supporting the health sector in East New Britain, East Sepik, Enga, Gulf, Hela, Morobe, New Ireland, Southern Highlands, Western and West New Britain provinces outlining capacities and scope.
II. Document and identify good practices that exist in PNG's health sector with private sector engagement. Identify innovative approaches to partnership and how they align to national policies and standards and improve equity and quality of health services in the province.
III. Make recommendations to the Provincial Health Authorities/Provincial Government to support provinces to establish partnerships with deliverables, responsibilities and goals
IV. Build provincial capacity to undertake effective private engagement

V. Identify technical gaps at the Department of Health to oversee partnership.

Minimum Qualification Requirements
The incumbent should have:

I. An advanced degree public health, business or a related field
II. A minimum of 10 years relevant experience in supporting private sector health
III. Experience in PNG with an understanding of the decentralization process is preferred
IV. Good communications skills, and experience in facilitating consultations and consensus building with various stakeholders
V. Good analytical capacity
VI. Concise writing skills

Minimum General Experience	15 Years
Minimum Specific Experience (relevant to assignment)	10 Years
Regional/Country Experience	Not required

Reporting Requirements:
The expert reports to the HSSDP project manager, and closely collaborates with the health system planning and partnerships expert other training program design and delivery consultants.

Expected outcomes

- Private sector engagement plans for selected provinces
- Partnership frameworks for further engagement

Key relationships

- Project Manager
- Health system planning and partnerships

(x) PUBLIC FINANCIAL MANAGEMENT (PFM) EXPERT—PHA PFM MANUAL DEVELOPMENT

Contract	6 person months (130 work days), intermittent over a period of 12 months (at least 75% in-country, remaining time home based)				
Project	PNG: Health Services Sector Development Program (HSSDP)				
Expertise	PFM Expert (PHA PFM Manual Development)	**Source**	International	**Category**	Independent

Purpose of the Position:
The Department of Health (DOH) in consultation with Provincial Health Authorities (PHAs) is in the process of preparing a comprehensive PHA manual that will introduce and standardize good practices across all areas of PHA operations. Its objective is to translate applicable legal frameworks, information system functionality, and good practice processes and procedures into an easy-to-use guide that can be used for reference, self-learning, and as the basis for training material development.

The PFM Expert is responsible, through intermittent inputs over a period of 12 months, for the development and testing of the PFM components/modules of the PHA manual, a brief training approach assessment, and development of a set of training materials. Importantly, the manual and set of training materials will have to be written in such a way that it suits local interpretation, understanding and practical application, e.g., by using relevant in-country case studies as examples.

Scope of Work/Detailed Tasks (5% equals about 6.5 work days):

- Compile existing manuals and PHA policies, relevant legislation, as well as examples of good practices and manuals from comparable environments into a

document library, and review documentation. This includes the Public Finance Management Act (PFMA) and the whole-of-government Finance Management Manual, which is currently being updated by the Department of Finance to reflect legislative amendments including for public bodies such as PHAs (estimated input: 5%)
- Identify different target audiences and lead the development of suitable PHA manual components/modules in the area of PFM, including but not limited to planning, budgeting, procurement, financial management, accounting and reporting (including reviewing and developing financial statements and monitoring reports within the prescribed legal framework), audit, capital investment planning and project management, asset management, under overall leadership of the HSSDP Organizational Development Expert (estimated input: 60%)
- Facilitate consultations on the draft manual components/modules (e.g., through the existing DOH-PHA Working Group), test manual with selected PHAs, and incorporate feedback into manual (estimated input: 5%)
- Develop a brief options paper on suitable, value-for-money training approaches in the area of PFM for the identified target audiences (e.g., regional and/or national level classroom training, on-the-job mentoring, PHA staff exchanges), incorporating adult learning approaches and how to use technology to increase reach under constrained resources, as well as options for sustainable funding arrangements beyond HSSDP program duration (estimated input: 10%)
- Develop a set of training materials suitable for adult learning and e-learning to accompany the PFM modules of the PHA manual (estimated input: 15%)
- Provide inputs into the PHA monitoring and support framework development for DOH in the area of PFM (estimated input: 5%)

Reporting Requirements and Collaboration:
The PFM Expert (PHA Manual Development) reports to the HSSDP Organizational Development Expert, and closely collaborates with the Project's Health Economist and other training program design consultants. Selected DOH and PHA staff and advisors (including HHISP Internal Audit Advisor, World Bank Health Economist and PFM consultants, and EGIG Public Finance Specialist) will provide inputs and feedback on an ongoing basis.

Expected outputs with tentative timelines (assumed start date beginning of April 2019):
- Work plan for consulting assignment (by end of April 2019)
- Document library of existing manuals, policies and other relevant documents from PNG and other comparable environments (by end of May 2019)
- PFM related components/modules of the PHA manual (draft by end of August 2019, consultations completed by end of September 2019, final draft by end of October 2019)
- Training approach options paper (by end of September 2019)
- Set of training materials to accompany PFM manual modules (draft by end of December 2019, consultations completed by end of February 2020, final draft by end of March 2020)

Key relationships
- DOH and PHA management and staff
- HSSDP Project Manager
- HSSDP Organizational Development Expert
- Other HSSDP training program design and delivery consultants
- HSSDP Health Economist
- Other partners and their technical advisors

Requirements
- Academic background in public financial management, public finance, health economics or related discipline.

- At least 8 years of relevant experience in public financial management, including in the health sector
- Prior experience in manual and training material development, including with tailoring content to local interpretation, understanding and practical application, as well as in adult learning and distance/e-learning approaches.
- Flexibility to adapt to local circumstances, and ability to work in multi-cultural and cross-sectoral teams
- Past experience working in Papua New Guinea, the Pacific region, and/or in comparable environments, i.e., environments with often thin and volatile capacity levels, requiring a focus on practical application with adequate (rather than best) practices

(xi) MEDICAL SUPPLIES PROCUREMENT & SUPPLY CHAIN SPECIALIST

Contract	**6-person months 2019 Q2 – 2020 Q2**		
Project	PNG: Project of the Health Services Sector Development Program		
Expertise	Medical Supplies Procurement & Supply Chain		
Source	International	**Category**	Independent

Objective/Purpose of the Assignment:
The Medical Supplies Procurement & Supply Chain Expert is required to support the Health Services Sector Development Program (HSSDP) through intermittent inputs to support the implementation of approved reform strategies for the Medical Supplies Procurement and Distribution Branch (MSPD) of the PNG National Department of Health (DOH) and to ensure that Project investment activities are technically sound to strengthen logistics management and health service delivery.

Scope of Work
Output 1: National frameworks and Public Finance Management enhanced (estimated input: 50%)

- Analyze and suggest improved processes for strategic medical supplies procurement and logistics through review of capacity and processes
- Support MSPD to develop processes and standards to improve efficiency of operations
- Support the MSPD reform agenda.

Output 2: Subnational health system management strengthened (estimated input: 30%)

- Provide inputs into model PHA Manual development and related course materials in the areas of medical supplies planning and logistics management
- Provide support to the Supply Chain firm to ensure project outcomes are met
- Provide inputs into training approach development, particularly on stock handling, ordering, forecasting, distribution and the use of data
- Support capacity building for PHA staff through the integrated suite of training programs as applicable
- Provide inputs into the PHA monitoring and support framework development for DOH, introducing aspects of medical supplies operational cost estimates and staffing gap indicators
- Support strengthening DOH staff in medical supplies strategies and systems, and PHA monitoring and support

Output 3: Health service delivery components strengthened (estimated input: 20%)

- Provide inputs into Provincial facility master planning models from a medical supplies' availability and equity perspective, in view of the impact of health facilities distribution and levels on service delivery costs

Collaborate with and ensure coordination with the activities of other Development Partners providing support for Procurement and Supply Chain improvement strategies

Reporting Requirements:

- The consultant reports to the Project Manager. .

Expected Outcomes:

- Successful reform implementation
- Alignment across government and partners on strategy implementation
- Satisfactory performance of the Supply Chain Firm

Key relationships

- Secretary, PNG National Department of Health
- Deputy Secretary
- Manager, MSPD Branch
- Provincial Health Authorities
- GFATM, Gavi, DFAT
- Other HSSDP Consultants including the Organization Development Expert, Health Economist, PFM Expert, and the other training program design and delivery consultants under the lead of the Organization Development Expert.

Person Specifications

(I) Graduate course in public procurement, public health or relevant field

(II) Demonstrated experience in managing or advising on the procurement, supply, and distribution of medical supplies and equipment, particularly in developing countries with a good understanding/experience/expertise in

- assessing policies, systems and structures in the public and/or private health sector relevant for managing effective and efficient access to pharmaceuticals, equipment and other medical supplies;
- the procurement of medical supplies including public procurement frameworks and tendering processes; supply chain/logistics management, including demand management and forecasting, inventory control and replenishment management, distribution network design, transport modes and operations in challenging environments, pharmaceutical supply information systems (e.g., mSupply), and warehousing methods;
- pharmaceutical market dynamics and existing global supply practices/challenges and the management of procurement and logistics service providers and/or PPP-type arrangements, including contract performance management and service level agreements.

GOVERNANCE TERMS OF REFERENCE

A. TECHNICAL WORKING GROUP TERMS OF REFERENCE (DRAFT)

1. These Terms of Reference clarify the role, responsibilities, functions, and composition of the Technical Working Group (TWG) for the Health Services Sector Development Program (the Program) and prescribe the manner in which the TWG shall operate.

2. A Technical Working Group representing the Department of Treasury (DOT), Department of Health (DOH), Department of National Planning and Monitoring (DNPM), Department of Personnel Management (DPM), Department of Finance and ADB will be established under the HSSDP.

3. **Membership.** Membership of the TWG will consist of:
   (i) Secretary DOT as Chair
   (ii) Deputy Secretary DOH
   (iii) Deputy Secretary DNPM
   (iv) Deputy Secretary DPM
   (v) Deputy Secretary DOF
   (vi) ADB Representative

4. The Project Manager of HSSDP will attend the meetings as an observer and will be able to answer any questions relating to links to the project. Other participants may be invited to attend as participating observers as deemed necessary by the Committee including representatives from other government departments or development partner representatives.

5. Members may choose to bring subject matter experts from their department to provide more in depth reporting on particular actions as required.

6. ADB will provide Secretariat support to the Committee.

7. **TWG purpose.** The purpose of the TWG is to:
   (i) Provide overall guidance to the creation of the policy action reform matrix;
   (ii) Provide technical advice around ability to complete suggested policy actions;
   (iii) Confirm final policy action matrix to the Program Steering Committee for final endorsement ;
   (iv) Track progress of policy actions and milestones;
   (v) Take accountability for the completion of actions and presentation of evidence to enable budget support;
   (vi) Identify risks and mitigations to ensure completion;
   (vii) Provide guidance to the reform area departments; and
   (viii) Ensure alignment with government priorities and other development partner investments.

8. To achieve its purpose, the TWG will:
   - Solicit the views and opinions on policy actions from the department they represent;
   - Present updates to the Secretariat for inclusion in TWG reports in a timely manner and be well advised to report on them at meetings;
   - Act as an advisory body to the departments responsible for actions;

- Provide an informed forum for discussion and decision making on the policy actions; and
- Be responsible for oversight of the policy action matrix including reviewing progress and understanding and articulating any potential risk areas.

9. **Duty of TWG Members.** Each member of the TWG has a responsibility to ensure that the TWG takes decisions in the best interests of the Program and the Government of Papua New Guinea. As such, TWG members in their individual capacities must work together so that collectively the functions of the TWG are fully met.

10. All discussion within TWG meetings are confidential, and are to be respected as such by all members.

11. Individual members of the TWG have a responsibility to ensure that they are sufficiently informed, and prepared to make decisions on the matters put before the TWG, and have read the TWG Agenda and submitted papers or reports prior to meetings.

12. Members of the TWG should work to ensure that, as far as possible, resolutions of the meeting are decided by consensus, as declared by the Chairperson. If a consensus cannot be reached, TWG members will abide by the result obtained by the resolution being decided by majority vote equivalent to at least the composition of the quorum (6 votes).

13. The Chairperson may, if required, exercise a casting vote.

14. The TWG provides advice on matters of action progress and achievement through its monitoring of progress. The TWG as a collective or its individual members are not involved in the day to day financial, administrative or other operational matters of the Program.

15. **TWG Chairperson.** The Secretary DOT shall be the chairperson of the Committee.

16. **Delegations.** The PSC shall not delegate any of its powers or entitlements to any sub-committee, individual, or group of individuals. It may nominate a working group comprised of members of the TWG for a specific purpose and for a specific period but responsibility for decisions made by the working group remains with the TWG.

17. **Appointment and removal of Members.** Members of the TWG are appointed by virtue of their substantive position, and shall remain eligible to be members whilst ever they occupy one of the prescribed positions.

18. Members may nominate a proxy to attend meetings of the TWG in their absence through notification to the Chairperson not less than 24 hours prior to the meeting. The nominated proxy must be no more than one level below the member.

19. **Convening of meetings.** TWG meetings will be held at least four times per year. Meetings will be convened at times relevant to the stage of the policy-based loan with more than four meetings possible if risks are identified that may impact the achievement of actions.

20. A minimum of one week (7 days) notice will be given for the holding of a regular meeting. Agenda, papers, and reports for consideration by the TWG will be provided to members at least two days prior to the meeting being convened. Members are requested to confirm attendance and outline any subject matter experts that may be accompanying them.

21. Special meetings may be scheduled by the TWG or may be called by the Chairperson following a written request to do so by at least two members of the Committee. A week's notice must be given, and a quorum must be present for such meetings to proceed.

22. The TWG members may, at the discretion of the Chairperson, consider urgent issues outside the regular meetings. In such cases arrangements for particular issues to be discussed, and for any decisions required will be the responsibility of the Chairperson, and may include telephone conference calls or the circulation of papers to all members. In such circumstances the issue/s to be discussed will be clearly articulated and, along with any decision(s) reached, will be formally recorded in the minutes of the next regular TWG meeting.

23. Meetings of the TWG will be normally conducted at the Department of Treasury.

25. **Minutes.** ADB will be responsible for preparing documentation for the meetings, and keeping minutes of all TWG meetings as part of the secretariat support responsibility. Minutes will be circulated to members and agreed within one month of the meeting. ADB will be responsible for maintaining all records, and documentation arising from meetings of the TWG.

24. **Quorum.** No business shall be transacted at any meeting until a quorum of members is present. A quorum will exist when all 5 departments are represented along with the ADB representative, i.e. 6 members. In the event that a quorum is not achieved within 30 minutes of the appointed time for a meeting the meeting will lapse, and be convened at a later date determined by those present at the time.

25. **Resolutions.** The TWG has a duty to make decisions on matters before it, and should only defer decisions to subsequent meetings when additional information is required. Resolutions of the meeting shall be decided by consensus as declared by the Chairperson. If a consensus cannot be reached, the resolution will be decided by majority vote.

26. **Changes to procedures.** Fourteen (14) days written notice must be given of any proposed change to the above procedures. Any proposed change to procedures will be resolved at a TWG meeting, and be consistent with the procedures outlined above.

B. PROJECT STEERING GROUP TERMS OF REFERENCE (DRAFT)

1. These draft Terms of Reference clarify the role, responsibilities, functions, and composition of the Project Steering Group (PSG, the Group) for the Health Services Sector Development Program (HSSDP) project, and prescribe the manner in which the Group shall operate.

2. A Project Steering Committee representing the Department of National Planning and Monitoring, Treasury, and the National Department of Health (DOG), and relevant Provincial Health Authorities will be established.

3. **Membership.** During the Project Inception Mission in mid-April, 2017 it was agreed by the representatives of the participating Central Agencies that membership of the Project Steering Group will consist of:

- Secretary for Department of Health as Chair
- Deputy Secretary for Department of National Planning and Monitoring
- Deputy Secretary for Department of Treasury
- Deputy Secretary for Department Finance
- Deputy Secretary of Department of Local Government Affairs
- Chief Executive Officers of the Provincial Health Authorities in HSSDP civil works provinces
- Chief Executive Officers of agreed other Provincial Health Authorities that have significant HSSDP activity (e.g., eNHIS, PFM, strong participation and engagement with the integrated suite of organization and people development strategies.

4. A senior representative of the Oil Search Foundation will be a participating observer. As and if other partners formally engage with HSSDP, they will be also be invited to attend as participating observers.

5. The Project Manager (PM), and the Finance & Procurement Specialist (F&PS) from the Project Management Unit (PMU) will attend PSG meetings as observers and provide advice.

6. The PMU will provide Secretariat support to the Project Steering Group.

7. PSG purpose. The purpose of the PSG is to:

- Monitor the work of the PMU, and the implementation of the Project by Implementing Agencies;
- Recommend adjustment to the project design and procurement;
- Provide guidance to the Implementing Agency;
- Keep the Health Sector Partnership Committee informed of progress and issues; and
- Ensure transparent communication with members, provinces, partners, and any co-financiers, including through circulation of minutes of its meetings;
- Ensure alignment with DOH priorities and other investments;
- Keep the Program Steering Committee informed through its ADB Secretariat.

8. To achieve its purpose, the PSG will solicit the views and opinions of a wide range of interests including national and sub national governments, relevant development partners, and civil society organizations.

9. To achieve its purpose the PSG will:

- Act as an overall advisory body to the project and provides an informed forum for discussion and decision making on the overall direction of the project;
- Be responsible for oversight of the project including reviewing progress and endorsing the annual Implementation Plan;
- Review reports submitted to the PSG by the PMU on project activity implementation progress;
- Review half yearly financial reports submitted by the PSU;
- Review all evaluation reports;
- Where appropriate, participates in site visits for the purpose of monitoring and evaluation of the Project's work.

10. **Duty of PSGC Members.** Each member of the PSG has a responsibility to ensure that the PSG takes decisions in the best interests of the Project and the wider community. As such, PSG members in their individual capacities must work together so that collectively the functions of the PSG are fully met.

11. All discussion within PSG meetings is confidential, and is to be respected as such by all members.

12. Individual members of the PSG have a responsibility to ensure that they are sufficiently informed, and prepared to make decisions on the matters put before the PSG, and have read the PSG Agenda and Business Papers prior to meetings.

13. Members of the PSG should work to ensure that, as far as possible, resolutions of the meeting are decided by consensus, as declared by the Chairperson. If a consensus cannot be reached, PSG members will abide by the result obtained by the resolution being decided by majority vote equivalent to at least the composition of the quorum (6 votes).

14. The Chairperson may, if required, exercise a casting vote.

15. The PSG provides advice on matters of strategy including overall strategic direction of the project through its monitoring of the project's progress. The PSG as a collective or its individual members are not involved in the day to day financial, administrative or other operational matters of the project. Decisions of the PSG are implemented by the officers of the PMU, and by the Implementing Agencies who report back to the PSG on actions taken.

16. **PSG Chairperson.** The Secretary for Health shall be the chairperson of the Project Steering Committee. When the Chairperson is absent from a meeting, the members in attendance will elect an Acting Chairperson from among the attending representatives of Department of National Planning and Monitoring and Treasury. The Acting Chairperson will relinquish the position at the close of that particular meeting.

17. **Delegations.** The Project Steering Committee shall not delegate any of its powers or entitlements to any sub-committee, individual, or group of individuals. It may nominate a working group comprised of members of the PSG for a specific purpose and for a specific period but responsibility for decisions made by the working group remains with the PSG.

18. **Appointment and removal of Members.** Members of the Project Steering Committee are appointed by virtue of their substantive position, and shall remain eligible to be members whilst ever they occupy one of the prescribed positions.

19. A member's position on the PSG will be declared vacant if the member:
   (i) retires from their substantive position by notice in writing;
   (ii) is required to resign from their substantive position because she/he is seeking election to political office;
   (iii) is terminated from their substantive position for any reason;
   (iv) is absent from 3 consecutive PSG meetings without leave of absence;
   (v) is directly or indirectly interested in any organization that is contracted by the RPHSDP and fails to declare his/her interest to the RPHSDP at the time the contract is proposed;
   (vi) is deemed by the PSG to have breached the confidentiality of the Committee.

20. Members may not nominate a proxy to attend meetings of the PSG in their absence, except with the prior permission the Chairperson.

21. **Convening of meetings.** PSG regular meetings will be six monthly in March/April and September/October of each year, and consider all evaluations of the preceding period.

22. A minimum of two weeks (14 days) notice will be given for the holding of a regular meeting. Agenda, business papers, and reports for consideration by the PSG will be provided to members at least two weeks prior to the meeting being convened.

23. Special meetings may be scheduled by the PSG or may be called by the Chairperson following a written request to do so by at least two other members of the Committee. A week's notice must be given, and a quorum must be present for such meetings to proceed.

24. The PSG members may, at the discretion of the Chairperson, consider urgent issues outside the regular meetings. In such cases arrangements for particular issues to be discussed, and for any decisions required will be the responsibility of the Chairperson, and may include telephone conference calls or the circulation of papers to all members. In such circumstances the issue/s to be discussed will be clearly articulated and, along with any decision(s) reached, will be formally recorded in the minutes of the next regular PSG meeting.

25. Meetings of the PSG will be normally conducted at the HQ of the National Department of Health.

26. PSG members will be provided with travel expenses to attend meetings, and a per diem, if travel and overnight stays are required. Travel expenses, and per diems may also be provided for PSG working groups where appropriate.

27. **Minutes.** The Project Manager will be responsible for preparing documentation for the meetings, and keeping minutes of all PSG meetings as part of the PMU secretariat support responsibility. Minutes will be circulated to members, partners, co financiers, and agreed others within one month of the meeting. The PMU will be responsible for maintaining all records, and documentation arising from meetings of the PSG.

28. **Quorum.** No business shall be transacted at any meeting until a quorum of members is present. A quorum will exist when at least two (2) members representing the Central Agencies, and at least four (4) members representing the Provincial Health Authorities are present. In the event that a quorum is not achieved within 30 minutes

of the appointed time for a meeting the meeting will lapse, and be convened at a later date determined by those present at the time.

29. **Resolutions.** The PSG has a duty to make decisions on matters before it, and should only defer decisions to subsequent meetings when additional information is required. Resolutions of the meeting shall be decided by consensus as declared by the Chairperson. If a consensus cannot be reached, the resolution will be decided by majority vote equivalent to at least the composition of the quorum, which is six members. The Chairperson may if required exercise a casting vote. If a member of the PSG is absent from a meeting there is no provision for proxy voting.

30. **Conflict of Interest.** Where a PSG member is directly engaged, has an advisory or governing role or a material financial interest in an organization, key partner, civil society organization or a community based organization which is seeking to enter a contract funded by the HSSDP project, the member must disclose such interest to the Chairman of the PSG.

31. Where a situation arises which may present a conflict of interest for a PSG member, the conflict of interest must be declared at the commencement of each meeting, and recorded in the minutes or must be disclosed to the Chairperson prior to the meeting and recorded in the minutes.

32. Where there is a conflict of interest the relevant PSG member must absent him or herself from the meeting for that agenda item.

33. Changes to procedures. Fourteen (14) days written notice must be given of any proposed change to the above procedures. Any proposed change to procedures will be resolved at a PSG meeting, and be consistent with the procedures outlined above.

GENDER ACTION PLAN

Outputs	Activities and Performance Targets	Responsibility	Timeframe	Budget
Output 1: National Framework and PFM enhanced	1. 0% stock outs in oxytocin, contraception and other medical supplies critical for women's sexual and reproductive health in area medical stores (Baseline: 0)	DOH/PMU	2018–2021	Government/ Project
	2. Resource allocation formula modelling incorporates equity weightings including for poverty, the aged, women, and children (Baseline: N/A)	PMU	2018–2020	Project
	3. National Health Plan 2021–2030 has gender-disaggregated data and targets (Baseline: N/A)	DOH/PMU	2018–2021	Government/ Project
	4. National Health Standards review incorporates gender equity assessment criteria (Baseline: National Health Service Standards 2011–2020)	DOH		Government/ Project
Output 2: Subnational health system management strengthened	1. PHA Boards constitute at least one woman from women's organizations or an organization with proven track record on gender work* (Baseline = 11 PHAs; target 20 when all PHAs implemented post June 2018)	GOPNG and DOH	2019–2023	Government
	2. At least 10 staff (5 men and 5 women) annually per province with increased knowledge in budget preparation, including gender based budgeting and monitoring (2017 baseline: 0)	DOH/PHAs/ PMU	2019–2023	Project and government
	3. At least 200 health workers (sex disaggregated) by 2022 with increased knowledge in reproductive health care.	DOH/PHA/ PMU	2019–2023	Government
	4. All data in annual provincial health information profiles sex-disaggregated by 2023. (Baseline: 3)	DOH/PHA/ PMU	2019–2023	Government/ Project
	4. Gender indicators are institutionalized in the health system performance monitoring database.	DOH/PHA/PMU	2018–2023	Government/ Project
Output 3: Health Service Delivery Components Strengthened	1. 100% of Health Partnerships and MOUs in effect as of November 2017 compiled at the national and sub-national levels in HSSDP provinces, by province and partner category including which partnerships have a gender equity considerations in program preparation criteria. (Baseline: 80% of national and subnational partnerships include gender equity considerations in program preparation criteria)	DOH/ PHA/PMU	2018–2023	Government/ Project
	2. eNHIS implemented and sex-disaggregated data entered in all 89 districts (2017 Baseline: eNHIS implemented data entered in 18 districts in 5 provinces)	eNHIS firm/DOH/PHAs/ PMU	2018–2023	Government/ Project PHA/project
	3. Gender-differentiated needs assessment of primary healthcare services conducted.	PHA/PMU	2018–2019	Government/ Project
	4. 100% of clinical health workers (both men and women) in project upgraded facilities with increased knowledge in essential obstetric care training course (2017 baseline: 0)	PHA/PMU	2018–2023	Government/ Project

Outputs	Activities and Performance Targets	Responsibility	Timeframe	Budget
	5. 80% of projected births for women living in the new project health facility catchment supervised in a health facility. (Baseline: Specific to each civil works site & percentage & number gathered during planning)	PHA/PMU	2018–2023	Government/ Project
	6. 100% of maternal deaths in facilities in project provinces audited for service improvement (Baseline: 0)			
	7. At least one gender-responsive health training conducted per project area per year, with special module on gender-based violence prevention and support for survivors (Baseline: 0)	PMU	2018–2023	Government/ Project
	8. At least two level 4 and seven level 3 and 8 level 2 gender sensitive health facility infrastructure upgrades (e.g. with access to information on sexual and reproductive health, legal and health services for survivors of GBV, women-friendly hours of operation, confidential consultation area and family-friendly delivery suites) completed and commissioned (Baseline: 0)	DOH/PMU DOH/PMU	2018–2023 2018–2023	Government/ project Government/ project
	9. At least 50% of all the male and at least 50% of all the female patients, by upgraded health facility, are provided with gender sensitive information on disease prevention and available health screening (including sexual and reproductive health and rights, and GBV).	DOH/PMU	2018–2023	Government/ project
	10. Conduct a study on the health seeking behavior of women and men, before and after the supply of equipment and staff training to the upgraded facilities.		2020–2023	Government/ project
	11. At least 80% of all upgraded facilities provide monitoring and evaluation data which is disaggregated by sex.	DOH/PHA/PMU	2018–2023 2018–2023	Government/ project
	12. At least 50% of women and men surveyed in the communities surrounding the upgraded facilities, report increased confidence in consulting with the facilities (Baseline: N/A)	DOH/PHA DOH/PHA/PMU	2019–2023	Government/ project
	13. Sex-disaggregated information on the staffing of health facilities reported.	DOH/PHA/PMU		Government/ project

DOH = Department of Health, eNHIS = electronic national health information system, GBV = gender-based violence, GOPNG = Government of Papua New Guinea, MOA = Memorandum of Agreement, MOU = Memorandum of Understanding, N/A = not applicable, PHA = provincial health authority, PMU = project management unit.

Note: Implementation Arrangements–The Gender Action Plan (GAP) will be implemented by DOH and its PMU, which will recruit a consultant team including an international social safeguards/gender specialist (intermittent), and one national social development/communication officer (full-time). These gender experts will work with the national and PHA staff and project consultants particularly in developing gender training materials, ensuring gender responsive manuals and reports, and other organization planning activities. They will be responsible for assisting the implementation of the GAP including conducting gender training workshops and establishment of sex-disaggregated indicators for project performance and monitoring framework. The PMU will ensure that the experts will report the progress of GAP activities in semi-annual project progress reports to the Government and ADB.

*Part of the policy action matrix.

Source: Asian Development Bank.

PROCUREMENT PLAN
Basic Data

Project Name: Health Services Sector Development Project (HSSDP)	
Project Number: 51035-001	**Approval Number**:
Country: PAPUA NEW GUINEA	**Executing Agency**: Department of Treasury
Project Procurement Classification: B	**Implementing Agency:** Department of Health
Procurement Risk: Moderate to Substantial	
Project Financing Amount: $105.6million **ADB Financing: $95.00million** **Cofinancing (ADB Administered): $ 38million** **Non-ADB Financing: $10.56million (GoPNG)**	**Project Closing Date:** May 2025
Date of First Procurement Plan: 30 November 2017	**Date of this Procurement Plan**: 3 March 2019

A. Methods, Thresholds, Review and 18-Month Procurement Plan

1. Procurement and Consulting Methods and Thresholds

Except as the Asian Development Bank (ADB) may otherwise agree, the following process thresholds shall apply to procurement of goods and works.

Procurement of Goods and Works		
Method	**Threshold**	**Comments**
International Competitive Bidding (ICB) for Works	$5,000,000	Prior
International Competitive Bidding for Goods	$2,000,000	Prior
National Competitive Bidding (NCB) for Works	$300,000 to $4,999,999	First subject to prior review, thereafter post review
National Competitive Bidding for Goods	$300,000 to $1,999,999	First subject to prior review, thereafter post review
Shopping for Works	Below $300,000	Prior
Shopping for Goods	Below $300,000	Prior

Consulting Services	
Method	**Comments**
Quality and Cost Based Selection (QCBS)	For the selection of Consulting Firms
Consultants' Qualifications Selection (ICS)	For recruitment of individual consultants
Single Source Selection (SSS)	For less than or equal to US$100,000 or continuity of existing project

Goods and Works Contracts Estimated to Cost $1 Million or More

The following table lists goods and works contracts for which the procurement activity is either ongoing or expected to commence within the next 18 months.

Package Number	General Description	Estimated Value	Procurement Method	Review [Prior / Post/ Post (Sampling)]	Bidding Procedure	Advertisement Date (quarter/year)	Comments
EQ - 01	Equipment Digital Health Information System [40]	2,650,000.00	ICB	Prior	1S1E	Q2, 2019	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Goods To be procured through or together with eNHIS National Rollout Consultant Firm
CW - 0101	**Kopiago Health Centre – Hela Province** (Package 1) Specifications: Clinical services block	1,550,000.00	NCB	Prior	1S1E	Q2, 2019	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works Under additional financing
CW - 0102	Kopiago Health Centre – Hela Province (Package 2) Specifications: Staff housing and service buildings	1,550,000.00	NCB	Post	1S1E	Q2, 2019	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works Under additional financing
CW – 0103	Kopiago Health Centre – Hela Province (Package 3) Specifications: Inpatient wards and service buildings	1,550,000.00	NCB	Prior	1S1E	Q3, 2019	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works Under additional financing

[40] Maybe combined with package CSF-03 during implementation

CW - 0201	**Ambunti Health Centre - East Sepik Province** (Package 1) Specifications: Outpatient, Accident & Emergency services block	1,550,000.00	NCB	Prior	1S1E	Q3, 2019	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW - 0202	Ambunti Health Centre - East Sepik Province (Package 2) Specifications: Staff housing + Service Buildings	1,550,000.00	NCB	Post	1S1E	Q4, 2019	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW - 0203	Ambunti Health Centre - East Sepik Province (Package 3) Specifications: O&G Wards/delivery suites/MCH clinic	1,550,000.00	NCB	Post	1S1E	Q4, 2019	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW – 0301	**Gloucester Health Centre – West New Britain Province** (Package 1) Specifications: Clinical services block	1,550,000.00	NCB	Post	1S1E	Q1, 2020	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW – 0302	Gloucester Health Centre – West New Britain Province (Package 2) Specifications: Administration and services building block	1,550,000.00	NCB	Post	1S1E	Q2, 2020	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW - 0303	Gloucester Health Centre – West New Britain Province (Package 3) Specifications: Staff housing	1,550,000.00	NCB	Post	1S1E	Q2, 2020	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works

CW – 0401	**Agevairu Health Centre – Central Province** (Package 1) Specifications: Clinical services block	1,550,000.00	NCB	Post	1S1E	Q3, 2020	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW – 0402	Agevairu Health Centre – Central Province (Package 2) Specifications: Administration and services building block	1,550,000.00	NCB	Post	1S1E	Q3, 2020	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW – 0403	Agevairu Health Centre – Central Province (Package 3) Specifications: Staff housing	1,550,000.00	NCB	Post	1S1E	Q4, 2020	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW – 0501	**Kunua Health Centre – Bougainville** (Package 1) Specifications: Outpatient and Emergency services block	1,550,000.00	NCB	Post	1S1E	Q1, 2021	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW – 0502	Kunua Health Centre – Bougainville (Package 2) Specifications: Clinical services block	1,550,000.00	NCB	Post	1S1E	Q2, 2021	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW – 0503	Kunua Health Centre – Bougainville (Package 3) Specifications: Specifications: Staff housing	1,550,000.00	NCB	Post	1S1E	Q2, 2021	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works

2. Consulting Services Contracts Estimated to Cost $100,000 or More

The following table lists consulting services contracts for which the recruitment activity is either ongoing or expected to commence within the next 18 months.

Package Number	General Description	Estimated Value (US$)	Recruitment Method	Review (Prior / Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
CSI – 07	Supply Chain Specialist	270,000.00	ICS	Prior	Q1 2019		- Assignment: International
CSI – 08	Health Financing & Public Financial Management Expert	1,000,000.00	ICS	Prior	Q2 2019		- Assignment: International
CSI - 09	Public Financial Management Expert (PFM PHA Manual Development)*	120,000.00	ICS	Prior	Q2 2019		- Assignment: International -
CSI – 10	Health Systems Planning & Information Specialist	650,000.00	ICS	Prior	Q2 2019		- Assignment: International
CSI – 11	Health Economist	525,000.00	ICS	Prior	Q2 2019		- Assignment: International
CSI – 12	Senior Accountant PMU	380,000.00	ICS	Prior	Q2 2019		- Assignment: National
CSI – 13	Accountant PMU	330,000.00	ICS	Prior	Q2 2019		- Assignment: National
CSI – 14	Social Development / Communications Officer PMU	300,000.00	ICS	Prior	Q2 2019		- Assignment: National
CSI – 15	Construction Supervisor	465,000.00	ICS	Prior	Q2 2019		- Assignment: National
CSI – 16	Construction Supervisor	465,000.00	ICS	Prior	Q2 2019		- Assignment: National
CSI – 17	Office Coordinator / Administrative Assistant PMU	300,000.00	SSS	Prior	Q2 2019		- Assignment: National
CSI – 18	Administrative Assistant PMU	300,000.00	SSS	Prior	Q2 2019		- Assignment: National
CSI – 19	Administrative Assistant PMU	300,000.00	SSS	Prior	Q2 2019		- Assignment: National
CSI - 20	Provincial health private partner engagement expert	120,000.00	ICS	Prior	Q3 2019		- Assignment: International -
CSI – 21	Health Systems & Information Officer	365,000.00	ICS	Prior	Q3 2019		- Assignment: National
CSI – 22	ISDP (OD/HR Expert)	1,050,000.00	ICS	Prior	Q2 2019		- Assignment: International

Package Number	General Description	Estimated Value (US$)	Recruitment Method	Review (Prior / Post)	Advertisement Date (quarter/year)	Type of Proposal	Comments
							Under additional financing
CSI – 23	ISDP (OD/HR Officer)	515,000.00	ICS	Prior	Q4 2019		- Assignment: International Under additional financing
CSF – 01	M&E Consultant	1,200,000.00	QCBS 90:10	Prior	Q2 2019	FTP	- Assignment: Firm International
CSF – 02	Strengthening Medical Supplies Procurement and Supply Chain Management	2,100,000.00	QCBS 90:10	Prior	Q1 2019	FTP	- Assignment: International
CSF – 03	eNHIS National Rollout Consultant - Installation & training	2,200,000.00	QCBS 90:10	Prior	Q2 2019	FTP	- Assignment: International -
CSI - 25	Architecture Draftsperson	250,000	ICS	Prior	Q2 2019		- Assignment: National
CSI - 26	Environmental Officer	250,000	ICS	Prior	Q3 2019		- Assignment: National

3. Goods and Works Contracts Estimated to Cost Less than $1 Million and Consulting Services Contracts Less than $100,000 (Smaller Value Contracts)

The following table groups smaller-value goods, works and consulting services contracts for which the activity is either ongoing or expected to commence within the next 18 months.

Goods and Works								
Package Number	**General Description**	**Estimated Value**	**Number of Contracts**	**Procurement Method**	**Review** [Prior / Post/Post (Sampling)]	**Bidding Procedure**	**Advertisement Date** (quarter/ year)	**Comments**
EQ – 02	Office equipment + furniture for Health Facilities	210,000.00	3	Shopping	Prior		Q1 2019	
EQ – 03	PMU Vehicles (x6)	460,000.00	3	Shopping	Post		Q1 / Q2 / Q3 2019 (2 vehicles in each qtr)	
EQ - 04	Medical equipment for Health Centre	760,000.00	1	NCB	Prior	1S1E	Q1, 2020	Prequalification of Bidders: N

Goods and Works								
Package Number	**General Description**	**Estimated Value**	**Number of Contracts**	**Procurement Method**	**Review** [Prior / Post/Post (Sampling)]	**Bidding Procedure**	**Advertisement Date** (quarter/ year)	**Comments**
	– Kopiago (Hela)							Domestic Preference: N Type of Bidding Document: Goods
EQ – 05	Medical equipment for Health Centre - Ambunti (East Sepik)	760,000.00	1	NCB	Post	1S1E	Q2, 2020	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Goods
EQ – 06	Medical Equipment for Health Centre – Gloucester (West New Britain)	760,000.00	1	NCB	Post	1S1E	Q4, 2020	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Goods

Consulting Services								
Package Number	**General Description**	**Estimated Value**	**Number of Contracts**	**Recruitment Method**	**Review** (Prior / Post)	**Advertisement Date** (quarter/ year)	**Type of Proposal**	**Comments**
CSF – 06	Surveyors (Site survey - Topographic and Boundary Survey)	65,000.00	1	SSS	Prior	Q3 2018		- Assignment: National Firm GOPNG funded
CSF - 07	Surveyors (Site survey - Geotech Survey)	50,000.00	1	SSS	Prior	Q3 2018		- Assignment: National Firm GOPNG funded
CSF - 08	Technical Consultants (Structural, hydraulics, mechanical, electrical review design)	320,000.00	1	SSS	Prior	Q3 2018		- Assignment: National Firm GOPNG funded
CSF - 09	Surveyors (Quantity Survey)	35,000.00	1	SSS	Prior	Q3 2018		- Assignment: National Firm GOPNG funded

CSI – 27	Health FM ICT specialist to prepare tender documents for PFM firm procurement	40,000.00	1	ICS	Prior	Q3 2018		- Assignment: International
CSI - 28	Biomedical supervisor	30,000.00	1	ICS	Prior	Q1 2019		- Assignment: International -

B. Indicative List of Packages Required Under the Project

2. The following table provides an indicative list of goods, works and consulting services contracts over the life of the project, other than those mentioned in previous sections (i.e., those expected beyond the current period).

Works							
Package Number	**General Description**	**Estimated Value (cumulative)**	**Estimated Number of Contracts**	**Procurement Method**	**Review** [Prior / Post/Post (Sampling)]	**Bidding Procedure**[6]	**Comments**[7]
CW – 0601	**Baimaru Health Centre – Gulf Province** (Package 1) Specifications: Clinical services block	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW – 0602	Baimaru Health Centre – Gulf Province (Package 2) Specifications: Administration and services building block	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW - 0603	Baimaru Health Centre – Gulf Province (Package 3) Specifications: Specifications: Staff housing	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW - 0701	**Pomio District Hospital – East New Britain Province** (Package 1) Specifications: Clinical services block	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works

CW - 0702	Pomio District Hospital – East New Britain Province (Package 2) Specifications: Administration and services building block	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW - 0703	Pomio District Hospital – East New Britain Province (Package 3) Specifications: O&G Wards/delivery suites/MCH clinic	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW - 0704	Pomio District Hospital – East New Britain Province (Package 4) Specifications: Pediatric and adult medical wards	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW - 0705	Pomio District Hospital – East New Britain Province (Package 5) Specifications: Staff housing	300,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW – 0801	**Bogia District Hospital – Madang Province** (Package 1) Specifications: Clinical services block	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works

CW - 0802	Bogia District Hospital – Madang Province (Package 2) Specifications: Administration and services building block	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW – 0803	Bogia District Hospital – Madang Province (Package 3) Specifications: O&G Wards/delivery suites/MCH clinic	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW – 0804	Bogia District Hospital – Madang Province (Package 4) Specifications: Pediatric and adult medical wards	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW - 0805	Bogia District Hospital – Madang Province (Package 5) Specifications: Staff housing	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW - 0806	Bogia District Hospital – Madang Province (Package 6) Specifications: Service Blocks	750,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works

CW – 0901	**Maramuni Health Centre – Enga Province** (Package 1) Specifications: Clinical services block	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW – 0902	Maramuni Health Centre – Enga Province (Package 2) Specifications: Administration and services building block	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW - 0903	Maramuni Health Centre – Enga Province (Package 3) Specifications: Specifications: Staff housing	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW-1001	Community Health Post A	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW-1101	Community Health Post B	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW-1201	Community Health Post C	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW-1301	Community Health Post D	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N

							Domestic Preference: N Type of Bidding Document: Small Works
CW-1401	Community Health Post E	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW-1501	Community Health Post F	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW-1601	Community Health Post G	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works
CW-1701	Community Health Post H	1,550,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Small Works

Goods							
Package Number	**General Description**	**Estimated Value (cumulative)**	**Estimated Number of Contracts**	**Procurement Method**	**Review** [Prior / Post/Post (Sampling)]	**Bidding Procedure**[6]	**Comments**[7]
EQ – 07	Medical Equipment for Agevairu Health Centre – Central Province	760,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Goods
EQ – 08	Medical equipment for Kunua Health	760,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N

	Centre - Bougainville						Domestic Preference: N Type of Bidding Document: Goods
EQ - 09	Medical equipment Baimaru Health Centre – Gulf Province	760,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Goods
EQ – 10	Medical equipment for Pomio District Hospital – East New Britain	1,050,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Goods
EQ - 11	Medical equipment for Bogia District Hospital – Madang Province	1,050,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Goods
EQ – 12	Medical equipment Maramuni Health Centre – Enga Province	760,000.00	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Goods
EQ – 13	Medical equipment for 8 Community Health Posts	800,000	1	NCB	Post	1S1E	Prequalification of Bidders: N Domestic Preference: N Type of Bidding Document: Goods

Consulting Services

Package Number	General Description	Estimated Value (cumulative)	Estimated Number of Contracts	Recruitment Method	Review (Prior / Post)	Type of Proposal	Comments
	Training Medical Equipment	80,000.00	7	SSS	Prior	n/a	Q1 2020
	PHA PFM Consultant (Firm)	1,500,000	1	QCBS 90:10	Prior	FTP	Q3 2020
	Sexual and Reproductive, Maternal and Neonatal, Child and Adolescent Health Continuous Professional Development	2,500,000	10	ICS	Prior	n/a	Q1 2020 (assignment international and national)

	Management Unit (CPDUMxU)						
	Sexual and Reproductive, Maternal and Neonatal, Child and Adolescent Health Continuous Professional Development Training	1,000,000	20	Shopping	Prior	n/a/	Q2 2020

C. Awarded and Ongoing Contracts Under the Project

Consulting Services						
Package Number	**General Description**	**Value**	**Recruitment Method**	**Review** (Prior / Post)	**Award Date** (quarter/ year)	**Comments**
CSI – 01	Project Manager PMU	1,441,554	SSS	Prior	Q4 2018	Awarded to R Akers until Sep 2023
CSI – 02	Procurement & Finance Specialist PMU	1,413,318	SSS	Prior	Q4 2018	Awarded to N Maharjan until Sep 2023
CSI – 03	Social Safeguards, Health Promotion & Gender Specialist	692,257	ICS	Prior	Q1 2019	Awarded to K Browne until Jul 2023
CSI – 04	Architect	1,111,439	ICS	Prior	Q1 2019	Awarded to P Basnet until Sep 2023
CSI – 05	Health Planner & Partnership Specialist	493,997	ICS	Prior	Q1 2019	Awarded to T Gowland until Sep 2023
CSI – 06	Clinical Governance and Standards Expert	1,089,422	ICS	Prior	Q1 2019	Awarded to V Assenheim until Sep 2023

E. National Competitive Bidding

1. General

National competitive bidding (NCB) shall conform to the provisions set in the Public Financial Management Act (PFMA) as issued in 1995 and amended in 2003, and the specific procedures prescribed in the Financial Instructions (FIs) issued in 2005, with the clarifications and modifications described in the following paragraphs required for compliance with the provisions of ADB Procurement Guidelines.

2. Participation in Bidding

(i) Government-owned enterprises in Papua New Guinea shall be eligible to bid only if they can establish that they are legally and financially autonomous, operate under commercial law, and are not a dependent agency of the Borrower/Executing Agency/Implementing Agency.

(ii) Foreign bidders shall be eligible to participate in bidding under the same conditions as national bidders.

(iii) Bidding shall not be restricted to preregistered firms and such registration shall not be stated in the bidding documents as a condition for the submission of bids. Where registration is required prior to award of contract, bidders: (i) shall be allowed a reasonable time to complete the registration process; and (ii) shall not be denied registration for reasons unrelated to their capability and resources to successfully perform the contract, which shall be verified through post-qualification.

3. Classification of Contractors; Qualification; Post-qualification

(i) Post qualification shall be used unless prequalification is explicitly provided for in the loan agreement/procurement plan.

(ii) Bidding shall not be restricted to any particular class of contractors, and non-classified contractors shall also be eligible to bid. Qualification criteria (in case prequalification was not carried out) shall be stated in the bidding documents, and before contract award, the bidder having submitted the lowest evaluated responsive bid shall be subject to post-qualification.

4. Conflict of Interest

Bidders may be considered to be in conflict of interest with one or more parties in this bidding process if, including but not limited to:

(i) they have controlling shareholders in common, or

(ii) they receive or have received any direct or indirect subsidy from any of them; or

(iii) they have the same legal representative for purposes of this bid; or

(iv) they have a relationship with each other, directly or through common third parties, that puts them in a position to have access to information

about or influence on the Bid or another Bidder, or influence the decisions of the Employer regarding this bidding process; or

(v) a Bidder participates in more than one bid in this bidding process. Participation by a Bidder in more than one Bid will result in the disqualification of all Bids in which the party is involved. However, this does not limit the inclusion of the same subcontractor in more than one bid; or

(vi) a Bidder or any of its affiliates participated as a consultant in the preparation of the design or technical specifications of the contract is the subject of the Bid; or

(vii) a Bidder or any of its affiliates has been hired (or is proposed to be hired) by the Employer or Borrower as Engineer for the contract.

5. Preferences

No preference shall be given for domestic bidders and for domestically manufactured goods.

6. Advertising, time for bid preparation

(i) Invitations to bid shall be advertised in at least one newspaper of national circulation or freely accessible and well-known website, allowing a minimum of 4 weeks for the preparation and submission of bids, such 4 weeks period to begin with the availability of the bid documents or the advertisement, whichever is later.

(ii) Bidding of NCB contracts estimated at $500,000 or more for goods and related services, or $1,000,000 or more for civil works, shall be advertised on ADB's website via the posting of the Procurement Plan.

7. Standard Bidding Documents

Until national standard bidding documents approved by ADB are available, bidding documents acceptable to ADB should be used.

8. Bid Security

If required by the bidding documents, bid security shall be in the form of a bank guarantee from a reputable bank. A bidder's bid security shall apply only to a specific bid.

9. Bid Opening and Bid Evaluation

(i) Bidders may deliver bids, at their option, either in person or by courier service or by mail.

(ii) Bidders shall not be allowed to amend their tenders after the closing date and time for submission of bids.

(iii) Bids shall be opened in public, immediately after the deadline for

submission of bids. No bid shall be rejected during bid opening. The name of the bidder, the total amount of each bid, and any discounts shall be read aloud and recorded in the minutes of the public bid opening.

(iv) Evaluation of bids shall be made in strict adherence to the Qualifications and Evaluation Criteria stipulated in the bidding documents

(v) No bidder shall be rejected merely on the basis of a comparison with the employer's estimate and budget ceiling without ADB's prior concurrence.

(vi) The Contract shall be awarded to the technically responsive bidder that offers the lowest evaluated price, and meets the qualifying criteria. In determining the lowest evaluated price, the following are to be considered: (i) bid price, as offered, (ii) arithmetical corrections on the bid price, if any, and (iii) monetary value of the evaluation criteria that are stated in the bidding document.

10. Rejection of Bids

Bids shall not be rejected and new bids solicited without ADB's prior concurrence.

11. Extension of the Validity of Bids

In exceptional circumstances and with prior ADB approval, the procuring entity may, before the expiration of bid validity, request all bidders in writing to extend the validity of their bids. In such a case, bidders shall not be requested nor permitted to amend the price or any other condition of their bid. Bidders shall have the right to refuse to grant such an extension without forfeiting their bid security, but bidders granting such an extension shall be required to provide a corresponding extension of their bid security.

12. Disclosure on Contract Awards

At the same time that notification on award of contract is given, the Borrower /Executing Agency/Implementing Agency shall publish the following information on contract award on a free and open access website or other means of publication acceptable to ADB: (i) name of each bidder who submitted a bid; (ii) bid prices as read out at bid opening; (iii) name and evaluated price of each bid that was evaluated; (iv) names of bidders whose bids were rejected and the reasons for the rejection; and (v) name of the winning bidder, price it offered as well as the duration and summary scope of the contract awarded. The Executing/Implementing Agency shall respond in writing to unsuccessful bidders who seek explanations on the grounds on which their bids are not selected.

13. No Negotiations

There shall be no negotiations, even with the lowest evaluated bidder, without ADB's prior concurrence. A bidder shall not be required, as a condition of award, to undertake obligations not specified in the bidding documents, or otherwise, to modify the bid as originally submitted.

14. Inspection and Auditing

Each contract financed from the proceeds of a Loan/Grant shall provide that the contractor/supplier shall permit ADB, at its request, to inspect their accounts and records relating to the performance of the contract and to have said accounts and records audited by auditors appointed by ADB.

15. Member Country Restriction

Bidders must be nationals of member countries of ADB, and offered goods must be produced in and supplied from member countries of ADB.

FINANCIAL MANAGEMENT RISK AND RISK MITIGATION TABLE

SUMMARY RISK DESCRIPTION AND MITIGATING ACTIONS

Financial Management Risk	Mitigating Action	Responsibility	Timeframe
Key Person Risk - Potential that project manager and/or the procurement and finance specialist leave the Program, and there is shortfall of capabilities within the PMU.	Succession plan established within the finance function ensuring adequate training is in place if the HSSDP project manager or finance specialist were to leave the program.	DOH	Within six months of loan effectiveness.
Counterpart financing - Delays or shortfalls can have significant impact on the completion of projects and available cash flows to the program.	Detailed cash flow projections prepared on a monthly basis documenting warrants issued by government, and counterpart fund expenditure planned. Commitment from government of the amount, and timing of financing.	DOH	Initial cash-flow established prior to commencement of the program. Updated monthly on commencement of HSSDP. Government commits upon the signing of the loan and reconfirm yearly with DOT on release of the budget.
Foreign currency restrictions – lack of available currency can have a significant impact on the outcome of projects where foreign denominates inputs are required.	Utilize the established cash flows to ensure that wherever possible foreign currency denominated payments are made via direct withdrawal application transfers.	DOH	In line with the cash flow projections above.
IFMS rollout – The decision to use the government run system could have an impact on the consistency of reporting.	If determined by DOT as a requirement a detailed integration plan including relevant chart of accounts.	DOH	1 month upon advice from treasury that IFMS is to be used.

Source: Consultant's Assessment

The Project Steering committee which includes representative from Department of Treasury, Department of Health, Department of Planning and Department of Finance together with the ADB will be responsible for monitoring the above actions against the relevant time frames.

CONCLUSION

The Financial Management and Internal Control Risk Assessment for the proposed Sector Development Program identified several financial management risks in staffing, information systems, and funds flow. The overall inherent risk was assessed to be substantial, and project risks were also assessed to be substantial. The overall combined risk was also assessed to be substantial. Although several financial management risks were identified, the proposed mitigating measures are sufficient for the satisfactory implementation of the Investment Program.